THE FINANCIAL POST

The Canadian Newspaper for Business Men and Investors

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MOVE SLOWLY THE PRESENT TREND OF BUSINESS WORLD

Many Factors Have Contributed to Depressed Feeling

GOLF CALLS MANY

Along With Holidays it Made August a Poor Month—Travellers Find Customers on Links

So many factors have tended to depress the public mind that perhaps it is only natural that business should be quiet—marking time. At the National Exhibition in Toronto crowds are gathering as never before; farmers and men in other lines of business look to their own particular interests. Money is spent lavishly; yet this cannot be taken as a pure sign that business is good, or will be immediately.

Generally there is a disposition to go slow. The world conditions gave ground for this, and these have been aggravated by the Home Bank suspension, and in lesser measure by the subsequent merging of the Bank of Hamilton with the Bank of Commerce. Statements by Sir Frederick Williams-Taylor, president of the banking association, to the effect that there will be no more mergers have done a great deal to allay uneasiness. The statement, unfortunately, was worded as an individual opinion, not as the pronouncement of the head of the bankers' association. There is no doubt that the official statement would be of great benefit. The truth is that the Merchants Bank merger, the subsequent writing down of their reserves by the Union Bank and the Standard Bank, the suspension of payment by the Home Bank, and the announcement of a merger of the Bank of Hamilton with the Commerce as a result, it is stated, of losses by the Bank of Hamilton, all have brought about a feeling of want of confidence in the bank returns as made to Ottawa and in the auditors' statements relating to the position of the banks. It is patent, of course, that the statements as made to the department at Ottawa could not be a fair picture of the bank's position one month when next the bank was forced to write reserves down or to suspend payment. It is also clear that some of the auditors' statements can have been little more than a verification of figures submitted by bank officials. So the public is skeptical, even cynical, and business suffers. Sir Frederick's personal opinion that all is now well has steadied things, as stated, but his official pronouncement as head of the bankers' association would be better. As regards the Bank of Montreal all would be quite ready to accept Sir Frederick's statement as authentic; but as regards other banks, which he does not control, the situation is different. Sir Frederick might be deceived even as some directors doubtless have been deceived. When giving a pronouncement for the bankers' association it is safe to assume Sir Frederick would not be deceived. He would then be speaking as one having the right to demand proofs from all members of the association. He would speak from proven facts. Such a pronouncement would give fuller confidence to business men.

The Japanese disaster has been another cause of depression. Doubtless influences from this will extend to Canadian business — higher-priced silks, interrupted shipping. At the moment these points have hardly been considered, merely the horror of the catastrophe tending to sober and depress all.

In spite of all thought-provoking influences—indeed, perhaps because of them—business men are still playing golf. This game is becoming a sub-

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OVER $3,000,000,000 IN THE RAILROADS

That is Capital Liability of Canadian Steam Transportation Systems

From Our Own Correspondent

MONTREAL. — The first railway was built in Canada in 1836, and in 1837, the year of the so-called Rebellion, the locomotive puffed the sixteen miles between La Prairie and St. Johns, Que. The capital liability of Canadian railroads is now more than three billion dollars.

This is based on figures compiled by the Dominion Bureau of Statistics which show that at the end of 1921 the capital liability of Canadian steam railroads was $2,996,038,216. This included $1,372,345,165 of capital stock and in this figure is included the 4 per cent. permanent debenture stock of the Canadian Pacific Railway. The funded debt of the railways totalled $826,542,776. In addition, the government railways had cost the Dominion government $442,631,575 and the provincial governments $25,230,003. Dominion government loans totalled $349,088,697 at the end of 1921. The total railway mileage was 39,771.

Change in U. S. Attitude to Mexico and to Canada

OTTAWA.—As it is expected that the recognition of Mexico by the United States will have a beneficial effect on all countries doing business with the former, it is believed that Canada will now do much more trade with the southern republic. During the last three years the value of this country's trade with Mexico has been steadily increasing. In 1921 it was $4,431,000; in 1922, $5,341,000, and in the last fiscal year, $6,567,000. In 1914 it was only $1,642,000.

That an orderly customer is a good customer, if you have for sale products it needs, is evident from the fact that in 1914 Mexico bought only $51,000 of native products from Canada, whereas during the year ending July it took $3,536,000 worth. It is thought that Canadian banking connection there will be a factor in promoting trade with this country.

NATIONAL LINES ARE AHEAD $3,000,000

For First Seven Months of Year Improvement Over 1922 Was Five Millions

From Our Own Correspondent.

MONTREAL.—With the most profitable months of the year yet to go, the Canadian National Railways is indicating the certainty of a substantial net operating revenue this year—possibly $10,000,000 to $12,000,000. This will, of course, go far short of meeting interest charges on the lines and would represent only about a tenth to an eighth of the amount annually sunk in the railways by the Dominion government. Yet it would nevertheless be a relief from operative deficits and a step forward by the lines under the new management.

To the end of July, the lines stood $2,984,460 ahead on operating account, as compared with a net operating deficit of $2,202,993 for the first seven months of 1922, a net improvement of more than $5,000,000. Comparisons for the month of July and for the first seven months of the year follow:

July—	1923	1922	Inc.
	$	$	$
Gross	21,002,848	19,534,941	1,467,907
Op. Exp.	19,530,620	18,811,937	718,683
Net	1,472,228	723,004	749,224
Seven Months—			
Gross	137,781,521	122,105,576	15,675,945
Op. Ex.	134,797,061	124,308,569	10,488,492
Net	2,984,460	*2,202,993	5,187,453

*Deficit.

Power for Alberta Cities From Forces of Rockies

From Our Own Correspondent

EDMONTON. — Priority rights in respect to the development of hydro-electric power at Spray Lake, southeast of Banff, have been asked of the department of interior by the Alberta Government. A power development scheme has been projected by the Calgary Power Co., which operates the hydro-electric plant at Kananaskis Falls, the proposal being to divert Spray Lake water into the Bow River and so add to the supply available at the present plant at Kananaskis, where there is always a shortage in the winter season.

The action of the government is explained as merely a desire to ensure the fullest possible protection to the interests of the province at large, but what Ottawa will do with the two requests is not yet known. The Calgary Power Co. has a contract with the city of Calgary for power, with which the street railway and other services are operated, but with an additional water supply from Spray Lake there would be power enough, it is claimed, to serve Edmonton also. Engineers have said that the proposed scheme could be carried out without doing any harm to the natural beauty of the Rocky Mountain Park.

IS PROTECTION NEXT GOAL OF BRITAIN?

Baldwin Has Chosen Chancellor With Such Leaning—Industry Needs it

Premier Baldwin and his cabinet aides have chosen a protectionist chancellor, Neville Chamberlain, in preference to a free trade chancellor, Reginald McKenna.

This is a sign of the times. Industrial conditions in England are such that a protectionist policy is the only thing that will save the big industries of the British Isles. There is a flood of cheap products from Continental Europe going into England. High wages, high transportation charges and high taxation prevent the British industries entering into competition with these cheaply-produced articles.

Those in touch with the situation long ago came to the conclusion that England had to come to protection. There are many protectionists who are to-day advocating a tariff wall for England with an Empire preference. They believe that this can be done, a heavy revenue raised, and yet by competition with Empire products, the cost of living will not be increased.

The situation promises to develop some interesting phases.

MINISTERIAL EFFORT AGAINST "WHISPER OF DEATH" MOVE

Members of Maine Chamber of Commerce Learn of Canada's Progress

GOING AHEAD

New Head of Trade and Commerce Department Shows Progress of Quarter Century

From Our Own Correspondent

OTTAWA. — The "Whisper of Death" campaign is not popular with the members of the government, and the ministers take advantage of every opportunity to prove that the country is headed upward, instead of downward. On general principles they are forced to do this, for they must defend their own administration.

The other day over 100 members of the chamber of commerce of the state of Maine stopped over for a few hours and had lunch. Hon. T. A. Low, being delegated to receive them, took advantage of the opportunity to assure the visitors that Canada is all right, that she has been so for some time, and that there is every reason to think that this all-right condition would continue for some time to come.

Having recently taken over the department of trade and commerce, this was, in a sense, a kind of maiden effort for the new minister, and he made a very creditable job of it from a publicity standpoint. He was perhaps a little long on statistics but he at least proved his case; besides, in giving them, he probably had in mind the general public that would be reached through the press.

Coming from Maine, the visitors were naturally interested in fish and they were reminded that during the last five years the product of Canada's fisheries has averaged over $50,000,000 a year, or an increase of 50 per cent. over the pre-war average. They were also told, what many of them probably were surprised to hear, that with the possible exception of those in the North Sea Canada's fisheries are the most extensive in the world.

Being a successful manufacturer, Mr. Low is naturally much interested in the progress of this department of industry. In dealing with the progress made in this line he was unusually impressive, for he pointed out that Canada's manufacturing industries to-day are turning out $4,000,000,000 worth of goods during a year. He admitted that in the cause of civilization, during the war, Canada had increased her debt seven or eight times, but he also added that, whereas before its outbreak only a very small percentage of the Dominion's loans were held at home, to-day 80 per cent. of them were, and in addition there is over $2,000,000,000 on deposit in Canadian banks.

One of the best features of the address was the striking reference to the progress made by Canadian industry during the last quarter of a century. As proof of progress, the following on Dominion growth in that period were given:

Population from 5,000,000 to 9,000,000.

Field crops value $195,000,000 to $962,000,000.

Live stock, $268,000,000 to $682,000,000.

Factory dairy products from $29,000,000 to $103,000,000.

Fisheries from $20,000,000 to $50,000,000.

Flour milling from $31,000,000 to $200,000,000.

Foreign trade from $221,000,000 to $1,750,000,000.

Exports from $116,000,000 to $754,000,000.

One is safe in saying that if the visitors from Maine had any doubts about whether Canada is all right or not, they were effectually dispelled by the time that Mr. Low got through. They also gave expression to their convictions through their applause.

These visitors are more interested in Canada than most Americans, except they be investors; for coming from Maine they know well the value of the Canadian National Railways to Portland. They see a great flow of merchandise through that gateway, and they also know that every year

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Is Reorganization Coming in Great West Permanent?

Some re-organization of the Great West Permanent Loan Company may be effected shortly. There is an insistent demand for action on the part of some large shareholders, and while the usual difficulties are being experienced in getting any concerted action, it does appear that steps are to be taken to effect a change.

Points the shareholders are asking are roughly as follows:

Where do the shareholders stand as to the future?

What success is being experienced in operating the Marlborough Hotel in Winnipeg in which, with original loan and accrued interest, the Great West Permanent now has some $1,500,000 interest?

Are there many mortgages which have been so increased as a result of interest not being collected?

Have some of the mortgages upon which interest has not been kept up been on properties standing in the name of the management?

It is understood the department at Ottawa and in Ontario has been, and is, watching the developments of this company very closely; and advice is being given as to the best way of working out the difficulties. This, perhaps, is putting the situation inaccurately—not only has advice been given, but action has been insisted upon.

Readers of THE FINANCIAL POST will recall that recently THE POST pointed out the assets of the Great West Permanent had been written down by the Federal Superintendent of Insurance by $2,000,000.

Confident U.S. Boats Will Help Move Western Crop

Receipts at Winnipeg Much Lighter in August Than Was Case Last Year—Rains Caused Delay

By E. CORA HIND.

WINNIPEG.—The lake shipping situation would seem to be a waiting game at the moment. The late harvesting and the consequent delay in threshing, excepting in somewhat limited areas, is naturally restricting movement, and there is no pressure for boats. At this time last year receipts of wheat at Winnipeg were running 1,500 cars daily, and during the month of August some seven million bushels of wheat were marketed. This year receipts are only now beginning to touch 200 cars daily, and while the increase to this amount has been sufficient to lower premiums for cash wheat it has made no appreciable difference in the demand for boats.

Opinions of the trade vary widely in their views of the situation, but I think that, speaking broadly, the men most closely in touch with the export trade are confident that in the end the American boats will come in. In the meantime no large boats are being offered and neither is there any demand for them.

The movement of crop before the navigation closes may not be as large as usual. The harvesting season has had more rain than usual and the crop is being cut on the green side. That means a much longer period in which the stooks must dry out before being threshed.

Threshing in South and Central Manitoba is progressing rapidly, and there has been considerable done in southern Alberta, but it will be well to the end of the month before threshing will be general in the three provinces.

AGGREGATE YIELD WILL BE ABOUT EQUAL LAST YEAR

During August rust and insects somewhat impaired the hopes of an exceptionally large crop in parts of Manitoba and Saskatchewan, but now that practically all grains have reached maturity the prospect is that the aggregate yield will be about equal to that of last year, says the monthly commercial letter of the Bank of Commerce.

An Ottawa report states that the government will not announce a new crop estimate until the beginning of next week, but it is improbable that its figures of a month ago of 366,000,000 bushels of wheat for the Western Provinces and 388,000,000 bushels for all of Canada, will be exceeded.

JAPAN A GOOD CUSTOMER

OTTAWA.—Japan, which has been so sorely stricken by earthquakes, bought $16,617,000 of products from Canada during the 12 months ending July, the total trade with that country having been $23,604,000. This was an increase of $8,000,000 as compared with that for the year 1921.

COULDN'T PAY BILL FOR 30,000 MARKS

Bank Found That it Couldn't Make Small Enough Change

Canadians who purchased German marks can well visualize the value of their holdings by trying to solve the problem that recently confronted the Federal International Banking Co., of New Orleans, which had to make change for a charge of two fifths of a cent.

It was a bill from a German bank with which the Federal International had been transacting some business over a period of several months. The bill was in due form, executed in minute detail with about 40 entries, and the total was 30,000 marks. With vouchers and memoranda the documents covered ten pages. Reduced to gold value it amounted to two-fifths of a cent. The best quotation on a foreign draft to cover the amount was 20 cents. The postage for the remittance was 5 cents.

P. G. E. GOING TO C. P. R., IS REPORT

Will be Linked Up With Dunvegan Line to Cross British Columbia

The Canadian Pacific Railway is to take over the Pacific Great Eastern from the British Columbia government and link it up with the Edmonton, Dunvegan and British Columbia, according to reports from Winnipeg.

In order to connect it with the E. D. and B. C. railway, which the Canadian Pacific operates, it will be necessary to complete the Pacific Great Eastern through the interior of British Columbia, the railway at present only operating into the Lillooet district.

D. C. Coleman, vice-president, C. P. R. western lines, declares that no practical steps towards a junction of the two roads has been taken by the E. D. & B. C.

Conditions Generally Satisfactory in France

NEW YORK.—The Paris office of the Guaranty Trust Company reports the usual seasonal reduction of general business activity in France, which will probably extend until the end of September. Conditions, however, remain generally satisfactory and, in most cases, industries have sufficient orders in hand to maintain the present rate of activity until the autumn requirements are felt in the market.

Unemployment is practically nonexistent and there is no agitation in labor circles. However, the Marseilles lookout, contrary to expectations, has not been settled, but its effect is purely local.

The coal situation is satisfactory and equilibrium appears to be reached between supply and demand.

It is noteworthy that thus far the savings of the French population have financed the costs of reparation.

Favorably Impressed By Canadian Plants

"Two of our partners recently visited Canada and the United States on a business tour, during which they took the opportunity of visiting the properties of several companies with which we are closely associated, namely, The Shawinigan Water and Power Company, the Cedars Rapid Manufacturing and Power Company, the St. Maurice Power Company, the Pennsylvania Water and Power Company, and the Consolidated Gas, Electric, Light and Power Company of Baltimore, and they were much impressed with the general state of efficiency of these undertakings and the favorable prospects of continued expansion and development," says a prominent British financial house in a recent letter to its clients.

Two Canadian Insurance Companies Carried Big Policies In Zone of 'Quake

From Our Own Correspondent

MONTREAL.—Canadian insurance companies, particularly the Manufacturers' Life and the Sun Life, have been quite active in Japan and secured a large amount of life insurance business there. It is too early to estimate what their losses will be on this business.

The largest life insurance policy ever written on any Japanese business man was written about two years ago by a Canadian life insurance agent representing the Manufacturers' Life. It is understood that Prince Matsakatu, one of the wealthy Japanese business men and statesmen, who was killed in the recent disaster, was insured in a Canadian company.

By coincidence, Edward Lord, superintendent of the Sun Life for Japan, with offices at Tokio, arrived in Montreal this week for a conference with his company. The Sun Life had a staff of about 50 people in Tokio, of whom six of the senior officers are Europeans and the rest Japanese. The company found difficulty in securing definite information as to the fate of its staff.

HOME BANK WOULD HAVE QUIT SOONER UNDER 1923 LAWS

Could Not Have Issued Statement Showing All Was Well

BANKERS CAREFUL

Officials Who Sign Returns Exercise Great Deal of Care in Making Certain Figures Are Right

From Our Own Correspondent

MONTREAL.—It is being suggested that recent events in banking in Canada can be traced directly to the changes in the Bank Act effected at the last session of parliament. The Bank Act is not blamed for the troubles certain of the banks got into, but is credited rather with making those troubles known. Moreover, it is now definitely believed by a number of bank men and others, who are well informed, that the Home Bank collapse, for instance, could have been definitely avoided if the present Bank Act had been in force some time ago.

Many people have placed their faith in the so-called shareholders' audit, but it has yet to prove itself. It is not at the moment definite whether shareholders' audit of the Home Bank would have prevented the suspension of that institution. What is definite is that some of the clauses of Section 113 of the new Bank Act would have made it impossible for the Home Bank to continue in business as it did and presenting very optimistic statements to the government and to its shareholders, long after it had suffered very serious losses.

What Section Provides

Section 113 among other provisions provides that no bank, in its returns to the government, or in any balance sheets prepared and issued, may include amongst current loans and loans in respect of which the borrower is two years in arrears of interest; where the bank has taken possession of property held as security; where the bank has commenced legal action to recover from the borrower the amount of the loan, or where the borrower has made an abandonment of his estate for the benefit of his creditors. Some of these conditions are understood to have existed for well over two years in the case of one large loan in British Columbia, where the Home Bank lost a large sum of money in a pulp and paper company. Under the new Bank Act the loan to this company could not have been in-

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Russia Will Have Wheat For Export

NEW YORK.—"Russia will have a bumper grain crop this year," said Colonel William B. Haskell, head of the American Relief Association in Russia, on his arrival on the White Star liner Homeric. "Russia's grain crop will be from 60% to 70% of pre-war. With this bumper crop, if they can get means of transportation, they can export 2,000,000 tons of grain this year."

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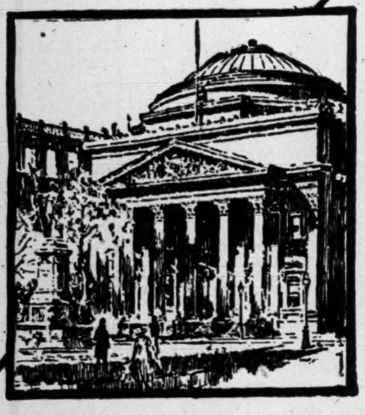

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EMPIRES RESOURCES MUST BE DEVELOPED TO PROMOTE TRADE

Greater Production Necessary to Develop Empire Trade

LONDON DISAPPOINTED

Canadian Chamber of Commerce Not Getting the Desired Support from Dominion

Is the Canadian Chamber of Commerce of London receiving the support from Industrial Canada that it should?

In a recent statement to THE FINANCIAL POST, Major A. D. Watts states that support of the chamber is necessary if Canada is to develop a market for Canadian products in the British Isles.

The recent annual meeting of the chamber has just been held and one can well conclude from the remarks of the president, Sir George McLaren Brown, K.B.E., that there is some disappointment in chamber circles in London over the lack of interest and support from Canada.

He said:

"There are one or two matters of outstanding importance in connection with the work and aims of this organization which I should like to emphasize. I feel sure you will agree with me that I am not making an extravagant claim when I state that there is no commercial association in London to-day that can watch and further the interests of Canadian manufacturers and exporters so directly and comprehensively as the Canadian Chamber of Commerce. For this reason our Chamber should prove of unequalled activity in officially representing in the United Kingdom every Board of Trade and Chamber of Commerce in Canada, and its services are freely at the disposal of these associations in the Dominion. We would welcome their support and co-operation."

Later Sir George, after thanking the C. M. A. for its help, expressed the hope, in discussing the British Industries Fair, that, should the chamber be again asked to prepare a Canadian exhibit, it shall receive greater support from Canada.

Dealing with the question of Empire Trade, Sir George lays emphasis on the development of the resources of the Empire by quoting a report of the Committee of the Federation of British Industries. He said in this regard:

"The forthcoming Imperial Economic Conference is a matter in which the Canadian Chamber of Commerce is naturally very much interested. The economic position in Central Europe continues to give deep concern to all who are affected by the conditions prevailing there, and the conviction is strengthening that the solution of our troubles largely lies in the development of closer trade relations between the various countries that constitute the British Empire.

"The recently-issued first interim report of the committee appointed by the Federation of British Industries to consider the question of inter-Imperial trade gives added weight to this conviction. This very important and very valuable report emphasizes, it will be remembered, that if Empire trade is to be developed the resources of the Empire must be developed—that is to say, that to render the Empire a better market for British goods it must itself become a greater producer—and the federation acknowledges that, while no doubt the great future development of the Empire is as a producer of raw materials of all descriptions, yet the natural desire of many parts of the Empire to develop their manufacturing resources must be admitted. They are prepared to advocate that the Dominions should be helped as far as possible in the development of their industrial undertakings as well as their raw materials by the provision, where possible, of capital and experience, since it is infinitely preferable that British Dominion industries should be developed by British rather than by foreign enterprise and capital."

ENGLISH WRITER SEES HARDSHIPS IN NORTHERN MINING

While Another Says Accessibility of Porcupine Killed Interest

Some interesting views on Northern Ontario mining, along with some comparisons with Rand mining conditions were recently published in the Mining World and Engineering Record, of London. The article was by Louis P. Bowler, M.E. Some of his conclusions or rather his pictures of conditions as to winter mining in Northern Ontario are exaggerated. He mentions "hardships unheard of in South Africa." The writer knows nothing of Africa, but lived in the north for some years and never saw any real hardships there. We always got into the camps by pullman, found passable hotels, always got enough to eat, found enough mosquitoes and flies in the summer to make life interesting, and in a recent trip enjoyed two long auto drives to far outlying camps. As for the winter there is lots of good sport. The climate is cold, but not cold enough to rob life of its pleasures and interest. It gets cold and stays cold, which is a most commendable feature. As a result colds and winter ills in the north are few as compared with Old Ontario.

Here is what the English writer says:

"The prospecting for gold and development of mines in South Africa is mere child's play compared with the difficulties to overcome in similar operations in Canada, where for six months in the year the country is cased in ice and snow, and, when that disappears, the surface of the ground is covered to a considerable depth by 'mush,' besides hampering prospecting work, by the existing vast forests, a rigorous climate, and hardships unheard of in South Africa."

Just recently Howard Bridgewater, a London journalist, at present resident in Toronto, looking after some British mining interests, wrote to a London paper setting up the contention that the real lack of British interest in Northern Ontario was the lack of hardship. He said if Porcupine was in the heart of Africa, hundreds of miles from any settlement, there would be a rush of English interests to it. He attributed this to the Englishman's love of something hard to conquer.

ALBERTA WHEAT POOL WILL BORROW FUNDS

Grain Will Have to be in the Elevators First—Predict Success

From Our Own Correspondent

EDMONTON.—The attitude of the financial interests toward the proposed wheat pool is said to be friendly or at least not antagonistic. The time has not yet come to enlist their sympathy and assistance, but it will be necessary for the pool to borrow from the banks before payments can be made for grain. At a recent meeting here of field workers engaged in the canvass for contracts it was explained that money for this purpose or for the purchase of elevators can be borrowed only on the security of storage receipts, and therefore the grain will have to be first delivered and in the elevators.

There is no reason, according to the leaders in the movement, why the pool cannot borrow from the banks as favorably as any old-line company, provided always that the contracts are well signed up and a substantial acreage of crop guaranteed for handling through the pool. That is why the emphasis has been placed upon the canvass for signatures as a prior step to both the financing and the securing of elevator accommodation. It is the idea of the pool's trustees that with from 50 to 75 per cent. of the wheat acreage of the province under contract it will be a comparatively simple matter to arrange the financial details, and it is now practically assured that the desired proportion of the crop will be signed up.

The preliminary cost of organizing the pool is being met from a loan of $5,000 from the provincial government, and when the pool is in working order a sum is to be deducted from each grower's returns, not exceeding two cents per bushel, for the purchase or lease of elevators. It is also provided that one per cent. of the gross selling price of the wheat may be deducted, if found desirable, for the purpose of building up a working capital, which is to be refunded to the original members at the end of each five-year period.

GOOD PROGRESS AT EVERETT LAKE

Good progress is being made on the Everett Lake next to the original Castle Trethewey property in Gowganda. A winze has been sank to the 300 level and stoping operations on all levels are now starting. High grade ore of excellent values has been opened up.

INDUSTRIAL GROUP CONSTRUCTION HIGH

Dominion Total for Eight Months Shows Material Increase Over 1922

Construction in Canada for the first eight months of the year show a material increase over 1922, the figures being:

8 mos., 1923	$223,654,400
Do., 1922	180,333,700
Increase 26.2%	43,320,700

August figures show a fair gain over the same month last year, the totals being: 1923, $27,488,700; 1922, $25,187.500.

Ontario continues to show the greatest activity and during the first eight months accounted for 50.7% of the Dominion total compared with 56.3% during the same period of 1922. Quebec has had a very substantial rise in activity, the percentage of the Dominion total being 31.2% compared with 22.8% last year. Construction in the Maritimes has fallen off from 7.9% of the total last year to 2.7% this year. The Prairies and British Columbia remain at approximately the same percentage of the total, viz., 15.4% for 1923 as against 16.7% for 1922.

Residential building, according to Maclean Building Reports, accounted for 31.3% of the August total and amounted to $8,630,900. Business building amounted to $7,762,500 or 28.2%; industrial building $1,778,500 or 6.5%; public works and utilities $19,316,800 or 34%. The value of contemplated new work reported during August amounted to $32,374,900.

Residential building during the first eight months shows a falling off of 4% compared with last year but continues to dominate the various types of construction with a total of $68,326,400 for the year to date. Business building shows an increase of 17% and the industrial group reflects the steadily improving economic situation with an increase of 66 over last year. Public works and utilities have been undertaken in large volume and record a gain of 55% for the period under review.

Dealing with the construction outlook, Maclean's says:

The trend of the business cycle with regard to the building situation indicates that new construction will continue in considerable volume. There is a great deal of work in prospect and a long continued period of prosperity in view for the building industry. Prices and wages are sufficiently stabilized to make it safe for contractors to bid on new work with the assurance that it can be carried through to completion and yield a reasonable profit. The mortgage market is still comfortable enough to permit a good volume of financing. Labor is fully employed at good wages.

Alberta Oil Interests Watching Two Wells

CALGARY.—Oil interests in Alberta at present centre around two wells, the Rogers-Imperial on section 29, township 1, range 11, west and the Dundas well, being drilled by Frank Moodie and associates in the outskirts of the town of Coutts, adjacent to the boundary. The Rogers-Imperial well is 29 miles east of Coutts, and about five miles north of the boundary. It is being drilled under contract and the contractors just now are getting the hole straightened out.

More of Our Exports Brought to High State of Manufacture

Forty Per Cent. of Goods We Sell Abroad are Finished Products—Forty Years Ago Proportion Was Only Five Per Cent.

From Our Own Correspondent

MONTREAL.—Since the end of the war, Canada has maintained the high percentage of exports of manufactured goods that it rose to during the period of fighting. Now 40 per cent. of Canada's exports, which are large and important, represent goods that have been brought to the finished stage in Canada. The country exports less raw materials than ever before, considered in relation to the total export trade. Raw materials include agricultural produce such as wheat, live cattle, etc., and, therefore, the attainment of a percentage of 40 per cent. of manufactured products is excellent. Hon. J. A. Robb, formerly minister of trade and commerce and now minister of immigration, says that we can get the figure higher.

How Figure Has Grown

In the ten trade years ending in 1880, Canada's exports were only 5 per cent. or one-twentieth manufactured products. The remainder consisted of crude materials and foodstuffs. From that point the percentages rose as follows:

10 years ending 1880	5%
10 years ending 1890	7%
10 years ending 1900	9%
10 years ending 1910	11%
5 years ending 1915	21%
5 years ending 1920	33%
Year 1921	39%
Year 1922	41%
Year 1923	39.1%

In addition, exports have included large amounts of semi-finished goods.

Effect of the War

The war was an added and tremendous impetus to almost all industries. While agriculture and the production of foodstuffs remained of paramount importance, manufactured products essential to the army had to be found. Industry was at high pressure. New machinery was installed, not only for the production of munitions but also in the textile, boot and shoe, food products, and lumber industries. The production of raw material was increased; factory methods were more specialized; a higher degree of mechanical and administrative efficiency became apparent. In 1914, agriculture formed 45.9 per cent. of Canada's total exports, and manufactures 13.2 per cent. At the armistice, agriculture formed 13.68 per cent. and manufactures 41.3 per cent., according to a department of trade and commerce publication.

The principal Canadian commodity that is exported is, of course, wheat, and in the fiscal year ended March 31 last we shipped abroad $252,000,000 of wheat, or nearly 30 per cent. of the total value of Canadian exports in that year. Practically all of the other leading Canadian exports are manufactured and semi-manufactured products. We shipped $83,300,000 worth of lumber, lath and shingles and a considerable amount of undressed timber. It may be that an embargo on the export of timber not carried to a certain degree of manufacture will follow the suggested embargo on pulpwood. We shipped out $79,600,000 of paper and $43,000,000 of wood pulp. Wheat flour, a manufactured product, contributed $60,000,000 to our exports. Automobiles were among the most important commodities shipped, having a value of $28,000,000. Large quantities of dressed meats, creamery products and fish products are also exported from Canada.

Two Things That Dominate

Grain and forest products continue to dominate Canadian export trade. Wheat shipped out of Canada represents a comparatively small return to the country when compared with the value of the same wheat turned into flour. The same thing applies to forest products. A raw log, only manufactured to the extent of having the bark removed, is not by any means as great a source of revenue to the country as the same log converted into a roll of newsprint paper or dressed lumber. That is why the growth in exports of wheat flour, finished lumber and paper is so gratifying to Canadians.

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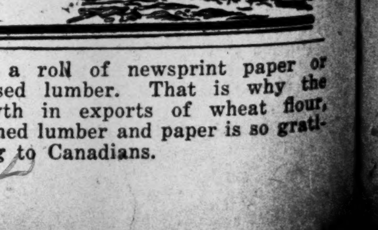

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HOPE FOR WHEAT POOL SUCCESS BUT BIG DOUBT EXISTS

Basis of Organization Does Not Create Optimism

REAL BRAINS NEEDED

Leaders Inexperienced and Without Funds May Face Tremendous Opposition From Competitors

From Our Own Correspondent

REGINA.—Though Manitoba has definitely abandoned the wheat pool idea for the present season, the Saskatchewan pool seems virtually assured. Of course, it will not be definitely known until September 12 (the date upon which fifty per cent. of the acreage sown to wheat must be under contract) but results gained by pool canvassers from the 16 districts of the province—divided under the organization plan of the new scheme—seem to indicate that from sixty to seventy-five per cent. of Saskatchewan farmers will sell through the new co-operative agency this year.

There are, however, other matters to be arranged before the pool can come definitely into being. Financial arrangements have not yet been announced, though a conference is in progress at Winnipeg over the week end. Elevator facilities have to be secured and in this regard litigation looms if any preferential rates are negotiated, contrary to schedules laid down in the Canada Grain Act. Also, the validity of the contract (of five-year term) which pooling heads are asking farmers to sign, has received no very conclusive endorsation as yet.

Though both businessmen and grain growers in the province are almost universally "pulling" for the pool; while the tendency in all quarters is to look upon the gigantic experiment in co-operation with hopeful approval, one cannot disguise the fact that a very large business is being entered upon with very little money backing.

The farmer is asked, for instance, to sign away control of his wheat for this and four succeeding crops to an organization which has not even designed a plan of selling or appointed officials and staff to conduct the immense business pending with the crop movement. Yet the farmers are doing just that with surprising alacrity. It is strong evidence of their confidence in those who are directing the movement. It is also indicative that agrarians are grasping rather desperately at anything which holds hope for betterment of their present condition.

Yet hope is not enough. No matter how sound the principle of co-operation may be, the manner of its execution is more than likely to destroy the Utopian dream of larger returns to the producer by massed, centralized marketing.

Those at the Helm

In the first place it must be conceded that the success or failure of Saskatchewan's 1923 wheat pool must depend largely upon the kind and qualifications of men secured to run it. As yet no very outstanding experts in the selling line have appeared among the ranks of those identified with the movement. Hon. J. A. Maharg is probably the most expert, yet Mr. Maharg, in spite of his experience as minister of agriculture in the Saskatchewan government, is little more than a successful, shrewd farmer. His attainments in raising farm products are unassailable, but as boss of an agency to sell a hundred million bushels of wheat or more, he is an unknown quantity.

A. E. Wilson, president of the pool, was formerly Dominion seed grain commissioner. He is an expert in purchasing wheat. As a salesman, another question mark may be added after his name. There, the issue arises, where will the pool secure a competent selling executive?

As THE FINANCIAL POST pointed out some time ago, there are, in reality, five very important posts to fill in connection with a large community enterprise such as the wheat pool.

1. A selling executive.
2. A purchasing expert or, in the case of the Saskatchewan pool, one to superintend the collection of the contract grain.
3. A transportation expert.
5. Statistical expert.

All of these jobs are for big men, the type of men who to-day are at the head of large grain organizations in Western Canada, men to whom $5,000, $10,000 or $15,000 salaries would prove no attraction.

Must Meet Competition

The selling executive would have no sinecure as during the tenure of the National Wheat Board. There would be no war demand for wheat which would render selling unnecessary. Buyers would not clamor for grain, but it would have to sold, sold too under conditions of keen, throat-cutting competition.

The pool must expect opposition from enterprises who feel called upon to fight it because large private fortunes and investments are threatened by a revision of grain marketing.

It is argued by those organizing the Saskatchewan pool that the organization will finance itself once started. This may be so and it may not. The capital called for is $100,000 and with this sum a business amounting to an annual turnover of $100,000,000 or more is proposed to be transacted. Somehow it does not dovetail with accepted ideas of finance. Yet, in order to build up an organization more financially imposing, it will be necessary to retain a fair percentage of returns from grain sold. This may be satisfactory to the participants and it may not.

In any case, the pool must be prepared to meet strong competition from privately-owned elevator, grain buying and grain shipping concerns. In the absence of capital to provide its own elevator facilities at all points, this competition may prove disastrous. In any case, it is a stumbling block which those directing the pool would do well to take note of, for the facilities of these competing companies may prove very necessary before the end of the season in handling the crop.

With all these not-too-rosy prospects, however, pool organizers are full of optimism and are confident of success crowning their efforts.

The entire West is looking on, hoping that producers will reap real benefit, with the full knowledge that if this co-operative scheme is put into effect and proves a failure, agriculture in Saskatchewan will suffer a blow from which it will not recover for many a long day.

PATERNALISM NOT SOLUTION OF THE FARMERS' PROBLEM

Have Learned Lesson—Sane Government From Now on For N. Dakota

MILWAUKEE.—R. A. Nestos, governor of North Dakota, says the government of that state is through with radical experiments. It has returned permanently to sane economic principles in the application of state government.

There is still some discontent over the price of wheat in North Dakota, according to Governor Nestos, but he declared that this discontent is less than in other wheat states. He explained that most farmers have lost their faith in belief that the government can support the price of wheat and are now convinced that the only remedy is to reduce the wheat acreage and go in for diversified farming. He asserts that farmers are now cooperating with the North Dakota state government in bringing about this reform.

North Dakota farmers have had their lesson and are not willing to undertake any more experiments, Gov. Nestos added, but some farmers still lean to the policy of having the federal government fix temporary wheat prices in this emergency, just as dynamite might be used to stop a bad fire. They point to the fact that the government fixed war wheat prices and kept prices down at one time, now that should be made up by a corresponding helpful service.

The state government is now being run along accepted business lines, Gov. Nestos believes, and the people have had their confidence in the state government restored. He explained that non partisan policies like building have been dropped, but the state owned flour mill and elevator had to be completed to try and ward off still larger losses. If this enterprise of the state proves impractical, it will be dropped. However, a full, fair and honest trial of the project will be given.

RUN COLONIZATION SCHEME ON OLD BASIS

New Directors Make Change and Place on Business-Like Basis

A fund of $200,000 per annum has been guaranteed by the Government, the Canadian Pacific and Canadian National Railways, to carry on the work of the re-organized Canadian Colonization Association, which amount will be sufficient to inaugurate the work and carry it on on a limited but thoroughly business-like basis. It has been decided by the board not to make any immediate call upon subscribers, but it is pointed out that the work of the association will, of course, be limited by the finances available, according to a letter sent to all subscribers by Sir Augustus M. Nanton, president. He adds that the policy adopted by the board involves a return to the basis upon which the association was originally organized, and, from now on, its activities will be confined to listing privately-owned lands on a fair basis as to prices and terms offered to obtain settlers for the colonization of these lands, the care of these settlers in making their selections and the greatest possible amount of welfare work in helping them after they take up their location, the work to be carried on on an entirely non-profit-sharing basis by the association, and that no charges for its activities either to the owner of the lands or the settlers who may desire to purchase them will be made.

An executive committee, composed of six directors, has been created which is delegated authority by the board to carry out the very definite policy laid down by the board after a two-days' session in Winnipeg. It is stated that the operating staff of the association has been re-organized on "a business-like basis as to salaries and duties." The president, vice-president and members of the board are without salary.

The new officers are given as follows: Sir Augustus M. Nanton, president; E. A. Field, land commissioner, C. N. R., vice-president; Dr. W. J. Black, deputy minister of immigration; D. C. Coleman, vice-president, C. P. R.; W. D. Robb, vice-president, C. N. R.; F. C. Blair, department of immigration; Col. J. S. Dennis, chief commissioner, colonization and development, C. P. R.; A. E. Warren, general manager, western region, C.N.R.; Geo. F. Chipman, editor, Grain Growers' Guide; P. L. Naismith, manager, department of natural resources, C. P. R.; A. A. Tisdale, assistant to general manager, western region, C. N. R.; Thomas Gelley, commissioner of immigration.

BRITISH COLUMBIA TIMBER MAY HELP REBUILDLNG TOKIO

Canada Has Shipped Much Lumber to Nippon In Past

BIG BUILDINGS FELL

Modern Construction Methods Proved of No Avail When Earthquake Came—B.C. Piles Driven to Bed Rock

From Our Own Correspondent

MONTREAL.—Reconstruction of the cities of Tokio and Yokohama is likely to be aided by Canadian timber. In the past few years a very extensive trade in British Columbia timber has been developed in the Japanese Empire and if Japan rapidly recovers economic stabilization and proceeds to its job of reconstruction with the characteristic vigor and resourcefulness of the race of Nippon, this trade is hardly likely to be disturbed by the recent earthquake. In fact it may be accelerated to some degree.

The effect of the disaster on Canadian shipments to Japan of wrapping paper and sulphite pulp is hard to determine, but it is likely to give the trade some setback, at least temporarily.

The Paper We Shipped

Canada sold $385,000 worth of wrapping paper in Japan in the twelve months ended March 31 last. In addition, $736,000 of bleached sulphite pulp, and $730,000 of unbleached sulphite pulp, was sold to Japan in the same period. The Wayagamack Pulp and Paper Company had an extensive Japanese trade in kraft wrapping paper, and the Whalen Pulp and Paper Mills sold large quantities of bleached and unbleached sulphite pulp in the flowery kingdom.

Large quantities of cedar logs and square timber suitable for piling was sold by British Columbia mills to Japan. This piling was necessary by reason of the condition of the soil of Japan. In Tokio, American, Canadian and European engineers engaged in constructing modern buildings found the solid rock to be 50 or 60 feet below the surface. Rejecting the pneumatic caisson as too complicated and expensive for use in Japan they built their structures on piling driven to bed rock. This required the longest and best piles; and resort was had to Douglas fir and other woods of the British Columbia and American Pacific coast for suitable logs. Canadian woods were popular in Japan for other building purposes.

Sale of Lumber in Japan

In the twelve months ended March 31 last Canada shipped 30,000 M. bd. ft. of cedar logs, valued at $725,000; 2,000 cords of shingles, valued at $40,000; 18,000 M. bd. ft. of fir planks and boards, valued at $532,000; 4,000 M. bd. ft. of hemlock planks and boards, valued at $98,000; six M. bd. ft. of spruce planks and boards, valued at $560, and 2,900 M. bd. ft. of other planks and boards valued at $74,000. There was also shipped to Japan from Canada 13,000 M. bd. ft. of Douglas fir square timbers, valued at $292,000; and 3,400 M. bd. ft. of other square timbers, valued at $86,000. This represents a very substantial source of revenue to the Canadian timber industry, and the effect of the earthquake on this trade will be watched with interest.

Canadian and American construction engineers find the most depressing news of the disaster in the statements that such buildings as the Mitsukoshi, a large department store, and the Tokio Kaijo building, a large steel and stone structure, have entirely collapsed as a result of the earthquake. It was felt that modern methods of construction were solving the earthquake problem in Japan. Allowance of course is made for the fact that this was not an earthquake of moderate force such as occurs several times a year in Japan, but a gigantic upheaval which may not repeat itself for centuries.

The Earthquake Problem

Many of the largest buildings in Japan have been built by European and American engineers, and the other modern structures by architects and engineers trained abroad. Adopting a limitation of 100 feet from the ground for building heights, and in other ways adapting such building codes as are in force in Montreal, Toronto, New York, and other cities of this continent, the leading cities, including Tokio and Yokohama, have faced the earthquake problem. Study has been made of American experiments in strains and wind-bracing. Skeleton steel and modern reinforced construction contributed a great deal to lessening the danger in the larger Japanese cities, but even these proved of no avail against such a rocking of the earth's crust as was experienced last Saturday.

There was something prophetic in the words of W. A. Starrett, an eminent American construction engineer. written evidently but a short time ago, and appearing in September "Scribners." "The menace of earthquakes of great severity will probably always hang over the heads of Japanese people like the sword of Damocles," he said.

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Estimate of Standing Timber Through Canada

From Our Own Correspondent

MONTREAL.—At the present time it is possible to obtain only incomplete estimates of the forest and pulp-wood resources of the Dominion of Canada. It is estimated by the director of forestry branch of the Department of the Interior that the forests of Canada have a value of over two billion dollars and that, including all classes of timber, saw material, pulp wood, ties, poles, fuel, etc., accessible and inaccessible, the total stand may be approximately as follows:

Timber Resources of Canada

	Softwood M feet	Hardwood M feet	Total M feet
Eastern Provs.	300,000,000	100,000,000	400,000,000
Prairie Provs.	140,000,000	85,000,000	225,000,000
British Columbia	360,000,000	1,800,000	361,800,000
Total ...	800,000,000	186,800,000	986,800,000

September Offering List

From our September List we particularly recommend Railway Bonds guaranteed by Provincial Governments. These securities may be obtained to yield from 5.25% to 5.40% and combine ready marketability with unquestionable security.

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News and Views for Investors

DOME'S AUGUST OUTPUT

Dome mine's production for August was valued at $431,019. This compares with $435,547 for July and with $352,774 in August, 1922. Output for month just closed comes very close to establishing a new high record.

DULUTH-SUPERIOR

There is some expectation of a dividend on common stock of the Duluth-Superior Traction Company around the first of either October or January. One per cent. will probably be made, the stock being put on a four per cent. basis.

BRITISH EMPIRE STEEL

The British Empire Steel Corporation, Limited, reports its production of coal for the month of August as 552,653 tons, compared with a production of 225,492 in August, 1923. The production for eight months ending August 31st, 1923, was 3,511,771 tons, compared with a production of 2,411,308 tons during the same period in 1922, or an increased production of 1,000,463 tons.

F. N. BURT

F. N. Burt Company, Limited, are reported to have sufficient orders on hand to keep them running at capacity for the balance of the year. Their customers' shelves are empty and the plants are finding it hard to keep up with consumption. Manufacturers are for the most part doing their products up in distinctive packages and as the F. N. Burt Company are the leaders in small paper containers they are receiving a large volume of this business.

EXPLOITERS STILL BUSY

Grand Trunk Pacific 4% debentures have been a nominal market at 20-25, since the Government published its reply to the committee. "The further statements of the boldholders' committee do not appear to hold out much early hope," says the Investors Chronicle, "but the 'nuisance value' idea will probably—and justifiably—be exploited to the full, and from time to time may be responsible for favorable rumors and price movements, thus holders will probably find it policy to wait events for the time being."

PORTO RICO RAILWAYS

The Porto Rico Railways Company reports gross earnings for the month of July amounting to $108,085, a decrease of $4,982 or 4.40 per cent. compared with the same month in 1922. Net at $22,845 compared with $42,713 last year, a decline of $19,868 or 46.52 per cent. Gross for the seven months at $769,669 compared with $768,748 for the corresponding seven months in 1922, an increase of $921, while net at $245,218, showed a decline of $64,553 or 20.84 per cent. It is explained that the large decrease in net earnings is owing to the operation of the steam plant, made necessary by the long period of drought which has lasted almost continuously since 2nd March last. Latest advices indicate that conditions are improving.

ILLINOIS POWER

Illinois Power and Light Corporation which recently absorbed the Illinois Traction Company among a number of other flourishing utility companies in Illinois, Missouri, Kansas and Iowa, has called a meeting of its shareholders. It is of interest to Canadian holders of the old Illinois Traction stocks, and to those who have converted their shares into the stock of the new company. The meeting is for the purpose of submitting to vote of the stockholders the question of increasing the authorized capital of the corporation, by increasing the authorized par amount of the 7 per cent. cumulative preferred stock from $20,000,000 to $25,000,000 or to such other amount as the stockholders approve and authorize.

CANADIAN CAR

That Canadian Car & Foundry will shortly reduce the arrears on its $7,500,000, 7% stock by a 5% payment, is a report in circulation. These payments were passed for the quarter ending September 30, 1921, and the total amount in arrears is approximately 14 per cent. An optimistic statement was made by President W. W. Butler at the last annual meeting of shareholders, when he stated that operations for the first three months of the year were on a profitable basis as compared with a loss for the previous corresponding period. Orders on hand at that time totaled approximately $15,000,000 and with the equipment purchased recently by Canadian railroads this sum should be substantially increased.

MONTREAL TRAMWAYS

Hon. J. L. Perron, K.C., was appointed to fill the vacancy caused by the resignation of J. W. McConnell from the board of directors of Montreal Tramways at the annual meeting of the company. Otherwise the meeting was purely routine in character, other directors being re-elected and the report accepted.

Referring to the very excellent statement just issued, T. Kelly Dickinson called attention to the market value of the stock, stating that in his opinion the security was selling at a level lower than the position of the company warranted. In replying, President E. A. Robert contented himself with stating that none of the directors had anything to do with the market value of the stock, having never attempted to operate the company from a stock market standpoint, and concluded by stating that in his opinion the low price of the stock was a possible reflection of the attitude of opponents of the company.

CANADA CEMENT

Canada Cement thus far in the fiscal year shows sales slightly in advance of figures for the corresponding period of last year. At the present time, operations are at the rate of 50 per cent. of capacity, and at this rate, when the company's year ends on December 30, the figures for the year will be little different from those shown for 1922. A dropping off in export business is reported by this company, caused primarily by decidedly high shipping costs, as far as South America is concerned, where the United States and Danish product has been marketed below the prices asked by the Canadian company. The problem of shipping from Canada is not so much the scarcity of boats, for these are known to be plentiful, but the fact that it is almost impossible to secure return cargoes, without which shipping is out of the question. One of the best markets that Canada Cement enjoyed up to last year was Porto Rico, which was totally lost, however, with the introduction of the Fordney tariff law last year. It is understood that an additional plant, that at Longue Pointe on Montreal Island, will be opened next week.

TORONTO RAILS

Evidently based on the possibility of the City and Toronto Railway Co. getting together and reaching an agreement over the arbitration award, the stock has sold up to 83. The award as it stands makes the shares worth about par, while certain assets in the treasury are presumed to be worth about $10, according to an estimate of A. D. Morrow & Co. Dealing with the decline that took place in the market price of the shares since the award, Morrow & Co. say: We believe that the decline in the price of Toronto Railway shares from 96 to 80 has not been due to fear on the part of the shareholders as to the ultimate value of their shares, but it has been due to general conditions. It is only natural that this stock should decline in sympathy with other stocks. We feel that at the price of 80 Toronto Railway stock is one of the best speculative purchases that we know of, because if the shares had a total net book value of say 110 on the strength of the award after allowing for legal expenses, arbitration fees and all other debts, the price of 80 shows a depreciation of $30 per share on a book value of 110, or about $2,500,000 off the award price. At the most the wait now for a settlement should not be so very long, as two years have elapsed since the City acquired the Street Railway property.

BRAZILIAN

The recent heavy trading in Brazilian can in no way be associated with the earnings of the company, as evidenced by the fact that July earnings constitute a record with an increase of 2,152,000 milreis. Net earnings also registered a new high. While the stock weakened somewhat it was not long in recovering when the litigation period passed. London is wondering if the dividend will be maintained if the milreis continue to decline, says the Financial Times. During 1922 the average New York value of the milreis was 13.09 cents, and it is assumed that the average rate for the first six months of this year may be taken at 10.9 cents, or an adverse movement representing about 21.90 per cent. in the exchange. The company's net earnings over the same period record an increase of 26.64 per cent. On the basis of exchange and taking the year's earnings on the present basis it is estimated that the 1923 net will approximate $15,500,000 (New York), which would leave a surplus for the year of about $7,000,000, after payment of bond interest of the subsidiary companies, and allowing for depreciation and provision for sinking funds. From this amount would have to be deducted $600,000 for the dividend on the preference shares. The current rate of 4 per cent. on the common shares requires $4,263,240. The Brazilian Traction Company, moreover, showed an accumulated surplus of $6,985,000 in the last balance sheet and the directors have consistently adopted a sound policy of making due provision for reserves and depreciation and have in recent years expended considerable sums on capital account out of revenue.

INACTIVE MARKET WITH TENDENCY OF PRICES BACK

This is How Brokers Review Trade of Past Week

BANKS SHARES ACTIVE

Trading Has Been Fairly Brisk In This Group—Mining List Shows Firmness

The market during the past week was slightly reactionary. Advances recently recorded were for the most part wiped out by the setback. The trend of events is shown by the table below, which shows that the number of issues suffering losses during the week was equal to the total gains and inactive issues.

That there were 15 advances, however, is accepted by the street as evidencing that there is some buying power abroad. The decline in the last number of shares is just another case of following the leadership of New York.

The reactionary movement was most prominent in the paper issues which have been more or less in demand for weeks past; in fact, they have been one of the most active groups. Industrials were again weak, while utilities were divided between strong and weak issues, only two of eleven standing still.

There have been some outstanding issues, but these as usual have been the subject of some special news.

The figures on 51 common stocks follow:

	Total	Gains	Loss	Unchang'd
Paper	8	2	6	—
Industrial	10	2	5	3
Specialties	7	3	2	2
Traction	4	1	2	1
Utilities	11	5	4	2
Steel	2	—	2	—
Textiles	4	1	2	1
Milling	5	1	2	2
	51	15	25	11

There has been some liquidation in bank stocks, sales being only slightly higher than the week previous. Not a little, however, is due to profit taking by speculators taking profits in Bank of Hamilton shares now standing up 25 points, as compared with the price when the merger with the Commerce was announced. Weaknesses in the bank issues have been slight.

The figures:—

			—Sales—	
	Open	Close	This Week	Last Week
Commerce	191¾	190	152	202
Dominion	188	189	115	148
Hamilton	167	175	889	624
Imperial	170¼	170	183	246
Molsons	160	154½	117	20
Montreal	236	235	101	90
Nova Scotia	257	256	125	367
Royal	218½	218½	619	639
Standard	170	170	744	300
Toronto	—	—	—	50
Union	112	112	244	208
Totals			3289	2894

TORONTO.—Trading has been fair on the Toronto market, but the slight gains that were previously recorded have disappeared. The week ends with trading less active, and as brokers point out, a lower price trend is in evidence.

Mining trading has been very fair. There has been a fairly steady demand, brokers state, and practically the whole mining list has firmed. This is attributed to the general belief that the period following the Exhibition should see an active market.

MONTREAL.—The average price of a number of leading stocks on the Montreal Exchange has moved up rather abruptly of late despite many influences of a depressing nature. Nothing could more thoroughly indicate the soundness of present investment conditions. There is a prospect of a considerable amount of new financing this fall and the issues are expected to be well received. Cautious judgment is still recommended for investors in the face of a somewhat unsettled state of the public mind.

CANAD'N WOOLLENS PROFITS ARE CUT ALMOST IN HALF

Industry Had Many Adverse Conditions to Face During Year

Canadian Woollens, Ltd., profits were lower, almost by half, this year as compared with last. The fiscal year was June 30. In the report sent to shareholders President A. O. Dawson deals with the many adverse conditions which the industry has had to contend with. On account of lack of demand, mills have operated at only about 50 per cent. of capacity, thus increasing the cost of production by raising the overhead charges. At the same time there has been keen competition from English manufacturers, who, as the result of higher preferences, have been able to land goods here below the cost of production in Canada. The French spinning plant at the Bonner-Worth mill in Peterboro can be operated only at a loss. It has been closed down for some time and the machinery has been offered for sale in the United States.

Although the results of the year's operation did not permit the declaration of dividends, President Dawson points to some encouraging items, which lead him to expect a more satisfactory statement next year provided that conditions return anywhere near normal and that some alleviation of the present tariff situation be granted.

Encouraging items in the balance sheet include an increase in working capital of $37,931, and in reserve, of $94,144, the latter now standing at $876,875. The company also have on hand a good supply of raw materials, and manufactured goods. These are placed in the inventory at conservative prices. The profit and loss statement follows:

Profit and Loss Account

	1923	1922
Operating profits	$119,970	$237,808
Int. on bank loans	26,618	33,159
	$ 93,352	$204,649
Div. on invest.	600	......
Bal. forward	22,229	26,529
	$116,181	$231,178
Red. of pref. stock	37,555	......
Sinking fund	......	35,000
Res. for bad debts	41,129	33,750
Res. for tax	7,280	17,700
Res. for deprec.	30,218	......
Pref. div.	......	122,500
Balance	......	22,228
	$116,181	$231,178

HATTIE DISPUTE AGAIN

Simultaneous with the announcement that the breach between Dr. W. P. St. Charles, and John K. Papassimakes had been amicably settled comes the announcement of another court action arising out of the Hattie-Beattie gold mines fracas. Papassimakes has instituted an action for damages for $150,000 against C. K. Dodds & Co., brokers, for alleged defamation of character and conspiracy to fraudulently misrepresent the financial position of Papassimakes. This arises out of the bankruptcy proceedings instituted at the time. The bankruptcy petition has been withdrawn. An interim receivership order, secured by Dodds and Co., against Papassimakes had been previously discharged.

FORT WILLIAM PAPER

Discussing the report that the Fort William Paper Company were seriously entertaining the idea of doubling their capacity in their plant at Fort William, J. G. Gibson, secretary of the company, is quoted as saying that while the matter had been in the air for some time it was no nearer consummation now than it had been some months ago. The directors will meet in Fort William in a week or ten days time and it is possible that the question of extending the mill might come up then—and again it might not. In fact, Mr. Gibson said that the visit of the directors to the mill would have no special significance.

CONSOLIDATED SMELTERS

The Consolidated Mining and Smelting Company reports ore receipts at Trail Smelter for the week ending August 21, amounting to 5,185 tons, while from January 1, to August 21, the receipts were 291,892 tons.

UNLISTED SECURITIES

	Bid	Ask
Alta Pac. Grain 7% pfd.	91	94
Do., com.	105	112
British American Assur.	6.00	7.00
Can. Assoc. Goldfields	7	11
Can. Kirkland Gold	6	10
Canada Mortgage	65	..
Can. Westinghouse 8% c	128	133
Continental Life	108	..
Commercial Finance pfd. 25% bonus com.	63	68
Canada Machinery, pfd.	37	42
Canadian Marconi Wireless	1.40	1.80
Crown Life	90	..
Cockshutt Plow 7% pfd.	40	42
Canadian Oil Co., pfd.	..	98½
Do., com	42	48
Collingwood Shpbld., com.	50	57
Cosgrave Breweries	5½	6½
Dom. Power & Trans. pf.	93	..
Do., com.	40	44
Dunlop Tire 7% pf.	82	86
Durant Motors of Canada	7½	8½
Dominion Mfg. pf.	53	..
Dominion Linens, pfd.	69	74
Do., com.	..	50
Dom. Sewer Pipe., com.	29	32
English Electric, pf.	..	70
Do., com.	..	16
Excelsior Life	51.50	
Farmers Dairy	51.00	
Famous Players, 7% pf., 50% com.	..	74
Gunns, Limited, 6% pfd.	..	32
Great West Life	214	..
Imperial Tobacco, com.	5½	7
Inter. Milling Co., pfd.	96	..
King Ed. Con., pfd. 30% c.	66	68
K. & S. Tire 7% pfd.	..	35
La Paz Oil	..	30c
Lambton Golf Club	450	500
Loew's Toronto, pf.	53	60
Do., com.	25	35
Loew's London, pfd.	4½	5
Do., com.	1½	2
Loew's Buffalo, pfd.	50	..
Do., com.	.90	1.15
London Loan & Savings	46	51
Massey-Harris Co.	..	49
Manufacturers' Life 20% p.	55	..
N. Mexico Pwr. & Dev., c.	9	12
National Brick, pfd.	53	55
Do., com.	..	12½
National Life $25 paid	50.25	
N. Can. pwr. com.	50	
Ont. Equit. Life (25+$10 paid)	..	30
Peoples Loan & Sav. Co.	60	64
Pantages, Hamilton 7% pfd.	30	..
Do., com.	..	2.50
Robertson P. L. Co.	15	25
Rolph Clark Stone, com.	15	..
Simpson Robt. 6% pfd.	91	..
Sovereign Life	18	..
Standard Clay Prod., com.	13	..
Sun Life Assurance	140	..
Toronto Brick Co., pfd.	75	..
Trust & Guarantee	76	80
Tiger Tire Units (1 p. 2 c.)	..	20
Western Grocers 7% pfd.	..	47
Whalen P. & P. Co., pfd.	17	19
Mortgage Discount Units	9	12
Western Assurance	6½	7½
Dryden Paper	..	12
Eastern Engineering	..	19
Frontenac Breweries	..	52
Industrial Alcohol	15	16
Laurentide Power 5%	100⅜	100½
Manitoba Power, com.	24⅞	..
Provincial Bank	..	119½

New Issue

$1,500,000

Ottawa & Hull Power Company, Limited

7% Cumulative Preferred Stock

(with a bonus of Common Stock)

Free of Normal Income Tax

This prosperous Company has two Hydro-Electric Plants at Chaudiere Falls on the Ottawa River between the cities of Ottawa and Hull, with a capacity of 40,000 H.P. For future development the Company controls a power site capable of developing 60,000 H.P.

The Company serves an important manufacturing district, one of Canada's centres of lumber, pulp and paper industries where the demand for electric power is steadily growing. Its capitalization per H.P. is unusually low. Total interest and dividend bearing securities amount to only $100 per H.P.

The record of earnings has been steady and entirely adequate, while with the extension of properties made possible with this issue, even more profitable operation is assured.

Write for full details of this attractive offering.

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Montreal Hamilton Winnipeg
London, Ont.

265

NEW ISSUE

We own and offer subject to prior sale, in lots to suit Investors:

$200,000

WOLTHAUSEN HAT CORPORATION, LIMITED

BROCKVILLE, Ont.

7% First Mortgage (closed) 20-Year Sinking Fund Gold Bonds

Dated 1st August, 1923 **Due 1st August, 1943**

$100 - $500 - $1000 each

Interest payable 1 February and 1 August

Coupon-bearer bonds, callable on sixty days' notice on any interest date, as a whole, or in part at 110 through August 1st, 1933, and at one per cent. less each year thereafter to maturity. Principal and half-yearly interest payable at Montreal, Toronto or London, England. Principal may be registered

MONTREAL TRUST COMPANY, Trustee

The Wolthausen Hat Corporation, Limited, is an old established company, founded in 1904, by Mr. F. Wolthausen. It has made steady and consistent progress and is now the largest manufacturing establishment of men's felt hats in the Dominion of Canada. The successful growth of the company during the past nineteen years demonstrates the ability and efficiency of the management.

EARNINGS

The average annual net operating profits for the years 1919, 1920, 1922 and 1923 were $27,382.83, or sufficient to pay the annual interest on the entire bond issue about twice over.

The additional capital now being secured will enable the company to share more fully in the growth and expansion of the hat industry in Canada, and to develop its growing Export Trade. The company now has more orders on hand than at any time in the history of the business, consequently with increased production, subsequent lower operating costs and the benefits resulting from increased working capital, a new era of prosperity with substantial increases in profits is confidently expected.

SECURITY FOR THE BONDS

The Canadian Appraisal Company, Limited, under date of 26 March, 1923, certifies that the replacement value of the land, buildings, machinery and equipment of the company is	$307,433.93
Messrs. Baker, Birnie, Savage & Co. have prepared a statement which shows that after giving effect to the bond issue, the company will have liquid assets in excess of all current liabilities of	183,711.14
Total Assets about 2½ times the bond issue	$491,145.07

CUMULATIVE SINKING FUND

The Trust Deed provides for a Sinking Fund payment commencing 1 February, 1924, of $3,000 and semi-annually thereafter, being at the rate of $6,000 per annum together with a sum equal to the semi-annual interest on all bonds purchased or redeemed. This Sinking Fund will retire the entire issue by maturity.

We recommend these bonds for investment.

Price: 99 and interest to yield about 7.10%.

Bonds are offered for sale, when, as and if issued and received by us, and subject to approval by counsel of all legal details.

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H. B. Robinson & Co., Limited

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Building Construction

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We Offer
$10,000.00
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6%
1st Mortgage Bonds
DUE NOVEMBER 1st, 1942
Price 93½ to yield 6.60%

This Company is the largest packer of hog products in the British Empire and assets represent security of $4,000 behind every $1,000 bond outstanding.

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Collateral certificates are backed by old established institutions.

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UNLISTED STOCKS

Will Buy
25 Loew's Buffalo Pfd.
100 Loew's Buffalo Com.
50 Loew's Windsor Pfd.
50 Loew's London, com.
100 Loew's London Pfd.
10,000 Can. Assoc. Goldfields.

Will Sell
100 Cosgrave Brewery.
25 K. & S. Pfd.
50 K. & S. Com.
3,000 K. & S. 7% Bonds.
25,000 Can. Assoc. Goldfields.

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THIS BOND Yields 8%

The issue is a First Mortgage on property and real estate valued at $1,799,000. This is equal to over seven times the amount of the issue. Earnings are at the rate of four times total interest charges. The security, therefore, is ample. In addition, the Principal, the Interest and the annual Sinking Fund are guaranteed. Payable in New York and Montreal.

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C. A. McCurdy, parliament member from Northampton, predicted in address at Leeds that British unemployed would increase from 1,200,000 to 1,500,000 by Christmas, and stated American worker, man for man, was producing treble amount produced by British worker and was receiving treble wages.

BLUE SKY MEASURE SAVED MILLIONS IN SASK. FUNDS

L. R. Steel, Allen Theatres and Riordon Were Kept Out

WATCH CAREFULLY

Interesting Facts Are Brought Out by Member of Local Government Board of Prairie Province

S. P. Grosch, former city solicitor of Regina, and now one of the three members of the Local Government Board of Saskatchewan, whose duty it is to superintend the financing of the municipalities of the province, recently told the Rotarians of Owen Sound, Ont., some of the benefits of the Blue Sky law of Saskatchewan which is now being questioned in the courts and was recently declared ultra vires. He explained that the board, as its name implies, pertained to local government, cities, towns, villages, municipalities, and even school districts. Every bond issue floated by the municipality must be approved by the local board. At first, Mr. Grosch said, it was difficult to restrain the borrowing within limits. After ten years of supervision, however, the Saskatchewan municipalities are getting along remarkably well.

The board supervised the investment of sinking funds. Many of the municipalities had been in the habit of investing the money locally and then not enforcing payment. Now, many of the cities and other municipalities have a surplus in their sinking funds. The board also forms a court on assessment appeals.

It was to the board's duties regarding the administration of the Sale of Shares Act that Mr. Grosch referred more particularly.

"Every company that intends to sell shares to the public must first obtain a certificate from the Board. This gives Saskatchewan's Blue Sky legislation in a nut-shell. He explained that the law applied simply in cases where agents of companies canvassed the public to buy shares, and not to small companies where the shares were sold among the group of men, who organized them. In each case the Board endeavored to arrive at a conclusion whether the plan of business of the company is equitable, and whether a return for the money invested is fairly probable. When the investor is given a fair run for his money, we allow the certificate."

He referred to a large number of companies which applied for certificates in which investigation showed the investors had not even a chance. The Allen Theatres applied to the board for a certificate through which the stock in the enterprise might be sold in Saskatchewan. At first sufficient papers to secure the company's real standing were not filed, and when the board demanded further information the fact was revealed that one of the members was to get $500 per week for ten years, and two others from $600 to $1,200 per week for the same length of time. The board held that the earning powers of the enterprise would not permit of such salaries. The second statement showed that the investor had no control over his money whatever.

The Riordon Pulp and Paper Company did not have a show with the board and their application was quickly refused.

The L. R. Steel Company applied three times in succession for a certificate, but the board refused each time. The company even sent Peter White, K.C., of Toronto, the general counsel for the company, out to endeavor to form a Saskatchewan subsidiary company. This was turned down. Mr. Grosch stated that on the stock certificates it was stated that not one per cent. of dividend was to be paid until all the stock subscribed for was paid up. This meant that the instalment investors got nothing unless they paid in full. The cost for organization and selling the stock was 51 per cent. of the total amount that was being collected. The parent company was in the state of Delaware and it is here that many companies with something unusual about them are organized. In buying L. R. Steel stock the investor was consenting to allow the directors to increase the common stock at any time. Just as soon as the preferred stock was earning a good dividend, the common stock could be increased, given away if necessary, and in this way the earnings of the stock could be brought down.

He concluded:

"My experience is that a great many of these concerns go to the public, and the investor, with a few hundred dollars has no time to spend in looking up the affairs of the company." In this way the companies gathered up a few hundred dollars here and there, which, in the aggregate amounts to a very large sum. It is the duty of the Board to investigate the affairs of the companies and thus protect the investors.

"In allowing shares to be sold discriminately, the Board has saved millions to the people of Saskatchewan." Not all the companies which are passed, are good, but in every case where the investor has a fair run for his money certificates are issued.

STOCK MOVEMENTS OF THE WEEK

Week Ending September 4

Banks—	Div. Rate	Ask	Bid	High	Low	Close	Sales
Commerce	12	192	190	191¾	189¾	190	152
Dominion	12	—	188½	189	188	189	115
Hamilton	12	175	174	175	160	174½	889
Hochelaga	10	146	—	147	146	146	253
Imperial	12	170½	170	170¼	169½	170	183
Molsons	12	156	—	158	154½	154½	117
Montreal	12	—	234	236	235	235	101
Nova Scotia	16	256	—	257	256	256	125
Royal	12	220	218½	219	218	218½	619
Standard	14	—	170	170	170	170	744
Union	8	111	110	112	111	111	244
Industrials, Utilities, Etc.—							
Abitibi, com.	4	65½	64½	66	64½	64½	1141
Amer. Salesbook, com.	4	40	37	38	37	38	11
Do., pref.	7	91	89½	90	90	90	25
Asbestos Corp., com.	6	50	—	52	50	50½	103
Do., pref.	7	73	—	74¼	73¼	74	40
Atlantic Sugar, pref.	—	38	—	37½	37½	37½	5
Bell Telephone	8	—	124½	125	122½	124⅞	400
B. C. Fishing	—	16	15	16	15	16	70
Brazilian Traction	4	42½	42¼	42⅞	40½	42⅜	8728
B. E. Steel, com.	—	—	6½	6¼	6¼	6¼	18
Do., 1st. pref.	7	65	64	63½	63½	63½	100
Do., pref.	—	—	18	18⅞	17½	17½	125
Brompton Pulp	—	42	41	43¾	41½	42	2671
Burt, F. N., com.	10	128	125	126	125	125	13
Do., pref.	7	128	125	125½	125½	125½	5
Canada Bread, pref.	7	95	92½	93	93	93	112
Can. Car & Foundry, pref.	—	76¼	74¾	76	75¼	76	95
Canada Cement, com.	6	85	—	85	83½	84½	729
Do., pref.	7	—	102	103	102½	103	276
Canada Steamships, com.	—	15½	15	16	15	15	136
Do., pref.	—	47¼	46½	48	45	47⅛	327
Can. Converters	7	90½	90	90	90	90	15
Can. Cottons, com.	8	106	105½	106¾	106	106	15
Do., pref.	6	—	90½	90½	90½	90½	10
Can. Cons. Cotton, pref.	8	85¼	—	84¾	84¾	84¾	20
Can. General Electric, com.	6	102	101	101	101	101	50
Can. Locomotive, com.	4	65	—	65	65	65	2
Do., pref.	7	95	—	94¾	93	94½	50
Can. Pacific Railway	10	—	144½	149½	144½	145⅛	312
Can. Woollens, com.	—	9	—	9	9	9	5
City Dairy, pref.	7	104½	103	104	103	104	40
Consumers Gas	10	162	160½	160½	159	160½	148
Detroit United Rly.	6	69	67	68½	68	68½	260
Dominion Bridge	4	—	64	64	64	64	5
Dom. Canners, pref.	7	83	—	84	82¾	84	45
Dominion Glass, com.	7	97	96	97	96	96⅞	35
Do., pref.	7	—	104	104½	104½	104½	15
Dominion Iron, pref.	7	76	—	76	76	76	5
Dom. Steel Corp., pref.	6	74½	—	75	74½	74½	37
Dom. Textile, com.	4	65	63	63½	63	63⅛	393
Do., pref.	7	—	110½	110½	110½	110½	1
Duluth Superior	—	39	38½	38¾	38½	38½	51
Eastern Theatres, com.	—	—	10	10	10	10	12
Do., pref.	7	—	70	70	70	70	1
Illinois Traction, com.	—	—	51½	51¾	51½	51½	90
Do., pref.	6	—	89	91	89¾	90	41
Interprov. Brick, com.	6	68	—	68	68	68	100
Lake of Woods Milling, com.	12	163	160	162½	162	162½	60
Do., pref.	7	—	118	118¾	118¾	118¾	50
Laurentide Paper	6	96¼	95½	97⅞	95½	95½	931
Lyall Construction	—	—	20⅜	20½	20½	20½	75
Macdonald, A.	—	—	5	5½	5	5	25
Mackay, com.	7	114	113¼	114	112½	113¼	209
Do., pref.	4	69	68	69	68	68	45
Maple Leaf Milling, com.	8	48	41	58	55	55	70
Do., pref.	7	81	—	84	80	81	74
Monarch Knitting, pref.	7	82	80	80½	80½	80½	5
Montreal Cottons, pref.	7	106¼	—	106¼	106¼	106¼	20
Montreal Light, Heat, Cons.	6	123	122	124½	123	123	701
Montreal Telegraph	8	—	52	52	52	52	25
National Breweries, com.	4	51	48	50⅜	49½	49½	262
Ogilvie Flour, com.	12	—	275	280	280	280	25
Do., pref.	7	117	—	117	117	117	5
Ottawa Light, Heat	6	—	84¼	84	80	80	8
Pacific Burt, pref.	7	100	99	100	100	100	21
Price Bros.	2	42¼	41	42	42	42	102
Provincial Paper, pref.	7	—	96	96	96	96	35
Quebec Railway	—	18¼	17½	18½	18	18	580
Riordon, com.	—	2¾	1¾	2½	2	2	180
Russell Motor, pref.	7	55	52½	52½	52½	52½	30
Shawinigan Water & Pr.	7	117½	116¾	117½	116¾	117¼	151
Sherwin Williams, com.	6	110¼	109	109½	109½	109½	10
Spanish River Pulp, com.	7	90¼	88½	90⅞	88	88½	190
Do., pref.	7	99⅞	98⅛	99½	98¾	98⅝	417
Smith, Howard, Paper, com.	6	74½	74	75	73⅛	75	20
Do., pref.	8	104	102	100½	100½	100½	10
Steel of Canada, com.	7	67¾	66¾	69	67½	67½	397
Do., pref.	7	100¼	—	100½	99¾	100½	107
St. Lawrence Flour, com.	6	—	52	52	52	52	55
St. Maurice Paper	6	109	108	108½	108½	108½	15
Toronto Railway	—	81	80	83	79	80¾	522
Tuckett Tobacco, pref.	7	91½	90	91½	91½	91½	10
Twin City, com.	6	—	66½	69½	65	67	615
Wabasso Cotton	4	70	—	70	70	70	20
Western Canada Flour	8	102	98	100	100	100	30
Winnipeg Electric, com.	—	33	32½	33	32½	32½	322
Do., pref.	7	—	85	85½	84½	85	65
Woods Manufacturing, com.	8	55	53	53	53	53	102
Do., pref.	7	75	—	75	75	75	10
Can. Permanent	12	187	185	187	185	187	17
Toronto Gen. Trusts	12	—	208	208	208	208	3

Revillon Freres Stock Now Yields Over Eight Per Cent.

From Our Own Correspondent

MONTREAL.—Attention is directed by an American financial weekly to the preferred stock of Revillon Inc. This company was organized in 1920 to take over the American and Canadian business of Revillon Freres, a large fur trading corporation financed by French capital and operating throughout the Northern part of Canada. The preferred stock has no bonds ranking ahead of it. Net liquid assets are stated to be twice the amount of preferred stock outstanding and total assets three times. The stock pays 8 per cent. dividend and can now be purchased at slightly under par to yield about 8.12 per cent.

The company has been established for about 200 years. Revillon Inc. owns the Revillon Freres Trading Company in Montreal, traders in furs; the Revillon Wholesale, at Edmonton, a large wholesale and jobbing firm, and Revillon Freres of New York, also traders in furs.

Kilgour Brothers Putting Up Another Big Factory

From Our Own Correspondent

MONTREAL.—Kilgour Bros., paper bag manufacturers and paper merchants, will erect a paper bag making plant at Windsor Mills, Que. The new structure will be 90 x 150 feet and will be three storeys in height. It will be designed for paper bag manufacture and for warehouse purposes and will be erected on property adjoining the present plant of the Canada Paper Co. Work has already been commenced and the firm expects to have the new factory in operation inside of three months.

Thousands of tons of German potatoes are dumped on English markets, depressing price of English-grown to $27.50 a ton, whereas growers claim anything below $30 is unprofitable.

RE-ORGANIZATION RIORDON COMPANY READY NEXT WEEK

Plan Involves $10,000,000 of New Capital For Group

From Our Own Correspondent.

MONTREAL.—Monday next is likely to see the long awaited announcement of the plan of re-organization of the Riordon companies. The reorganization managers finally have their plans in such shape that a definite announcement of the terms upon which new capital is being put into the enterprise can be made. New interests enter the affairs of Riordon including several important pulp and paper operators. Ten millions of new capital will be put into the company. Shareholders in the former two companies will be given the privilege of subscribing a portion of the $10,000,000. The securities they will be offered the opportunity of purchasing will represent at least $2,000,000.

Boston Firms Interested

Of the new capital, $8,000,000 will be provided, under the new arrangement, by a group of underwriters, including Coffin and Burr, Parkinson and Burr, and E. H. Rollins and Sons, all of Boston, and the Royal Securities Corporation of Montreal. A number of other English and Canadian investment houses will be associated with the new underwriting to a certain extent. The balance of the securities, to the amount of $2,000,000, will be offered to the 5,000 former shareholders. If the shareholders do not subscribe the necessary money it will have to be found in some other way, possibly through additional public offerings of preferred stock.

The plan will have the effect of greatly reducing the company's fixed charges on bonded indebtedness. The total capitalization will also be much lower as a result of the virtual disappearance of certain issues of stock formerly outstanding.

Among the directors of the reorganized company will be Sir William Price, head of Price Brothers and Company; Archibald Fraser, president of the Fraser Companies, Limited, and George McKee, formerly general manager of the Donnacona Paper Company, but now interested in a paper mill in Northern New York.

A new 11-storey hotel, to cost $2,500,000 is to be erected in Vancouver.

TONOPAH CENTRES WORK ON THE KING

Is Understood to Have Stopped Work on Wood and Moffat Hall

It is understood that the Tonopah of Nevada has quit work at the Wood-Kirkland and Moffat-Hall properties. They are still doing some work on the King Kirkland and have hopes of cutting a large vein shortly. Surface trenching was carried out on the first two properties. The shaft on the Wood was not pumped out.

It may be that the Tonopah will do more work on these properties in 1924, but this is considered doubtful and some criticism is heard as it is contended that the properties have not had a real test. No effort was made to sink on them at all, the sum total of the Tonopah effort being surface trenching.

Tonopah went into Kirkland with a blare of trumpets, but with a rather foolish or some would term it a generous option, if the terms as generally understood are correct. This is said to have called for the putting of $1,000,000 worth of ore in sight. Such a goal is very laudable, but it is much different handling a northern gold proposition than a large body of disseminated copper which the Tonopah rose into fame on. Diamond drills would soon put a million in copper with its large bodies in sight, but hardly gold. Then again a million in copper with its low profits doesn't mean much as does $1,000,000 in gold ore. Then again those who gave such an option did not consider the best interests of their property when they laid down such an exacting sum. The best option that can be given is one that will call for a real mining effort, carried on with reasonable expedition. That is the best that any property holder can expect and if he gets that he should be satisfied. It is believed that the Tonopah has realized that it bit off more than it could chew. Northern Ontario is glad to see such concerns as the Tonopah get in, but it will work against the North in the end if they do not get in right.

KING EDWARD HOTEL

The meeting of the King Edward Hotel Company, called to deal with acquisition of assets of King Edward Construction Co., stands adjourned until September 19, to allow time to conclude certain routine details.

Hugo Stinnes, German industrialist, purchases mint to make own money. Stinnes currency is in circulation in Berlin and is guaranteed by two of largest banks in Hamburg.

To Still Better Things

There is nothing quite so satisfying as the well-earned commendation of your fellows.

If it is merited through notable efforts in the fields of sport, or in the disposition of social amenities, the most case hardened cynic experiences a warm glow of contentment—of justifiable self-confidence and aplomb.

BUT WHEN it comes through the accomplishment of ambitious ends in the work that provides our sustenance and material well-being, it has more than a passing significance.

It is a definite urge to still better things.

* * * * * * * * * * * *

Take, for instance, our own case:

It has been by no means easy to establish a standard of 100% efficiency in all of our numerous services, covering practically the gamut of commercial, social, and individual endeavour.

The fact that our objective has been reached and passed, is evidenced in the steadily increasing number of wholly commendatory letters that come in day after day.

We quote extracts from a few unsolicited letters received during the past month:

"The clippings I have received from you in the last month were the best in point of quality and quantity that I have ever received from a clipping bureau."
—*The Editor of an internationally famous periodical.*

"Your service is certainly in accord with your promise, and is satisfactory in every sense of the word."
—*A public utility corporation with branches all over the world.*

"I would like to comment on your service to this Consulate General: the material you have been sending is just what I have wanted."
—*Consul-General of an important foreign power.*

"It is a positive pleasure to go through every mailing you send forward."
—*A large publishing house.*

"I have made very good use of every clipping I have received from you."
—*A British industrial representative in Canada.*

"You have given us excellent service."
—*A publicity manager.*

The few quotations above give only a slight idea of the wide range of our service.

Let us show you just how we are making life-long friends in the business world—in literary circles, and in public life.

The Canadian Press Clipping Service
149 University Ave. Toronto, Ont.

FORTY OIL WELLS BEING DRILLED IN PARTS OF ALBERTA

Line of Wells Gradually Extends North to Canada

OUTLOOK PROMISING

Confidence Expressed on Many Sides That Commercial Flow Will Soon Be Encountered

"The development of the petroleum resources of the plains east of the Rockies has gradually pushed northward during the past few years, beginning in Texas, extending to Oklahoma, then to Wyoming, and now to Montana. The latest field proving to be commercially profitable is situated just below the Canadian line. That it extends across the border the Canadians are anxious to prove, as their country is dependent for petroleum almost wholly on imports, as with the coal deposits which extend across the international boundary to such a magnificent extent, so it may be with petroleum," says the Northwestern National Bank Review of Minneapolis. "Drilling in Alberta is going forward near the Montana border, and many believe that the discovery of oil is but a question of time, while a well which is already producing in small volume in a field which may prove profitable is situated just below the Arctic Circle. Numerous promising fields are being explored in the territory between these extremes. The possible additional northward stretch of the advancing line of wells that already extends from Mexico to Montana, is therefore enormous. The distance from Coutts, Alberta, to Fort Norman, in the Mackenzie district, which are the prospective southern and northern ends of the Canadian section of the chain, is about the same as that from New Orleans to Winnipeg.

Intensive Effort Needed

"Although indications of the presence of oil throughout Western Canada are frequent, drilling has not yet been carried on in any field in the intensive way that is common on the American side of the boundary. An evidence of this is the fact that, at the first of the year, the area between Montana and the Arctic Circle, had 60 drilling outfits, most of them relatively inactive. Far more extensive drilling will be required to prove or disprove definitely the existence of commercial oil. The only real approaches to oil production have been found in two areas: the Fort Norman district, close to the Arctic Circle, and the Okotoks field, southwest of Calgary. As a matter of fact, comparatively few wells have yet been completed. In a large majority of cases, according to Prof. John A. Allan, of the Alberta University, drilling has stopped before possible production horizons were reached. Difficulties encountered are said to be greater than on the American side, and in the far north they assume heroic proportions. The Imperial Oil Company, a subsidiary of the Standard Oil Company of New Jersey, has been most active, and is carrying on valuable exploratory work. It expresses itself as 'naturally disappointed, but not wholly discouraged,' and as 'losing a great deal of its original optimism, but not altogether without hope.' 'One thing is clearly established,' this company asserts, in a statement that has the ring of a pledge, 'and that is the necessity of carrying on the work until the last possibility has been tested, and a definite conclusion reached.' The Imperial Oil Company is now building a refinery in Calgary at a cost of $2,500,000. The work is well under way and the plant should be in operation by fall. The crude oil will come from Montana, as well, of course, as from whatever Canadian sources are available.

"That oil in commercial quantities will eventually be found is the common belief of our Western Canadian neighbors. Drilling has been most extensive in Alberta, where operations in 1922 were conducted in several fields, but boring has also been carried forward in the Mackenzie district, in the railway belt of British Columbia, in Saskatchewan and Manitoba. Although oil has been elusive, what is characterized by the Government News Bulletin of Alberta as 'one of the greatest gas fields of the world,' the output of which amounts to 180,000,000 cubic feet a day, has been developed in that province. This gas is used for domestic and industrial purposes in many of the towns and cities of Southern Alberta, particularly in the cities of Medicine Hat and Calgary. Seventy miles southeast of Edmonton there is a group of gas wells with a capacity of more than 32,000,000 cubic feet per day, from which the city of Edmonton expects to be supplied. In central-eastern Alberta, situated on a major structure known as the Irma-Viking-Birch Lake monocline, several wells are being drilled for oil. Gas has also been encountered here, in an Imperial Oil Company well which gave a tremendous flow. A similar flow was encountered in the Pouce Coupe district on the western boundary of the province. In the Okotoks, or Turner Valley field, 35 miles southwest of Calgary, in the foothills of the Rockies—one of the two 'only real approaches to oil production' in Canada—there is a good production of wet gas from which gasoline is extracted at the rate of some 1,500 gallons a day. 'These wells,' a Calgary correspondent informs us, 'are more than 3,000 feet deep and drilling is being continued in them in order to get down to the oil which, it is estimated, will be found at a depth of about 4,000 feet.'

"The most excited recent attention, however, has been given to the Sweetgrass-Coutts district in Alberta, near the Sunburst-Kevin field of Montana. A great number of claims have been taken up and a certain amount of drilling has been done. No definite favorable results have yet been reached, but, quoting from a communication from the Canadian Department of Mines, 'it is probable that sufficient work will be done in this area during the summer of 1923 to decide definitely whether the Montana field extends northward into the province of Alberta.' In the opinion of A. W. Dingman, an oil expert who is thoroughly well acquainted with conditions in the province, the bringing in of but one well of modest volume of production would make 'available the financial factor which alone is required to make Alberta an oil-producing area of world-wide importance.' 'Altogether there are about forty wells (in Alberta) at which active drilling operations are being conducted,' writes a Canadian banker, 'and it is confidently expected that oil will be got in large quantities at some of these wells if drilling is continued to the depth at which geologists say oil bearing sands are situated.' Another banker states that 'there is no doubt that the large oil companies feel confident that Alberta will eventually be one of the big producing districts.'"

Monarch Life Opening In Province of Quebec

From Our Own Correspondent

MONTREAL.—J. W. Stewart, managing director, and M. B. Farr, of the Monarch Life of Winnipeg, have been spending the past week in Quebec province. THE FINANCIAL POST learns that the Monarch Life intends to open for business in Quebec, and that the purpose of Messrs. Stewart's and Farr's visit is to choose suitable managers and representatives in the principal centres of the province.

MONTREAL TRAMS EARNINGS LARGER DURING YEAR 1923

Larger Amount Received Under Contract With City

INTEREST IS LOWER

Sum of $400,000 Put to Reserve —$500,000 of Debentures Were Sold

From Our Own Correspondent

MONTREAL. — Allowances under its contract with the city of Montreal gave Montreal Tramways a slightly enlarged revenue in the fiscal year ended June 30 last. Bond interest, on the other hand, was much smaller and, as a result, a new high record for net earnings was established. These totalled $548,033 as against $524,004 in the previous year. The comparative record for three years past has been as follows:

Revenue—	1923	1922	1921
	$	$	$
Allowance from cont.	2,392,986	2,377,418	2,317,445
Other rev.	37,238	64,061	55,359
Gross rev.	2,430,225	2,441,479	2,411,329
Deduct—			
Int. on bonds and loans.	990,855	1,043,100	1,082,418
Deb. int.	874,352	857,500	850,314
Other exp.	16,982	16,875	17,541
Net income.	548,033	524,004	461,057
Dividends	399,947	397,432	388,994
Surplus	148,086	126,572	72,063
Prev. surp.	844,893	916,709	941,175
Total	992,979	1,043,281	1,013,238
Appropriation for res. acct.	400,000	300,000	200,000
Gen. surp.	592,979	743,281	813,238

Bond Issue Redeemed

During the year the company deposited with the Bank of Montreal the necessary funds to redeem the balance outstanding of the issue of £140,000 4½ per cent. underlying bonds, maturing on August 1, 1922, of which there were then outstanding £120,000 or $584,000. This payment, together with the payments made last year, takes care of the whole of the company's underlying bonds.

During the year the company, in conformity with the terms and conditions of the trust indenture covering its 5 per cent. thirty-year gold bonds, issued and had certified by the trustees $3,161,000 par value of its 5 per cent. thirty-year gold bonds, the same being issued to replace a like amount of the 4½ per cent. underlying bonds redeemed and cancelled. The balance of the 4½ per cent. underlying bonds amounting to $112,000 will be exchanged in like manner when they are all presented.

A total of $3,161,000 par value of 5 per cent. bonds above referred to are available to provide funds for the company's operations when and as required.

Under the authority of a resolution of the shareholders of the company adopted on September 30, 1911, the directors authorized an issue of $4,000,000 of the 5 per cent. debenture stock to be disposed of from time to time as required. During the year the amount of $500,000 was disposed of which, together with the issues of $150,000 sold in the year 1921 and $1,000,000 sold in the year 1919, leaves a balance of $2,350,000 to be sold as required.

Under the terms of the contract the company has to provide from its own funds a guarantee fund amounting to $500,000 in amounts of not less than $100,000 per year. The directors report that the sum of $100,000 has been paid into the guarantee fund since the close of the company's fiscal year, making $500,000 now in said fund, which completes same, according to the terms of the contract.

New Issue

$500,000

Great Lakes Transportation Company
LIMITED

6½% First Mortgage Sinking Fund Gold Bonds

To be dated September 1st, 1923. To Mature September 1st, 1933

Principal and semi-annual Interest (1st March and September) payable at the Bank of Commerce, Toronto, Montreal and Winnipeg. Bonds issued in denominations of $1,000 and $500. Bonds may be registered as to Principal.

Trustee:—The Montreal Trust Co.

Legal Opinion of Messrs. Tilley, Johnston, Thomson & Parmenter.

CAPITALIZATION

			Authorized	Outstanding
Common Stock			$1,000,000	$ 504,000
First Mortgage 6½% Bonds			500,000	500,000
7% First Mortgage Serial Bonds			1,500,000	
Issued		$1,250,000		
Less: Redeemed	$125,000			
Held in Treasury	225,000	350,000		900,000
S.S. Glenclova 7% Serial Bonds			250,000	
Less: Redeemed			60,000	190,000

SINKING FUND

A Sinking Fund has been provided sufficient to redeem by maturity the entire amount of this Issue, the first payment under which must be made not later than one year from the date of issue. The Bonds will be acquired for the Sinking Fund at or under call prices, failing which they will be called as follows:—at 103 and accrued interest to September 1st, 1926; at 102 and accrued interest to September 1st, 1929, and 101 and accrued interest thereafter prior to the maturity of the Bonds.

The Bonds are callable either for Sinking Fund purposes or as a whole at the abovementioned prices.

From information received from Mr. James Playfair, President of the Company, we summarize as follows:

SECURITY

The present issue of Bonds is secured by a direct and specific First Mortgage on the "Glensannox," "Glenrig" and "Glenelg," which three vessels have a combined dead weight tonnage of 13,500 tons. They are all first-class steel freighters and are appraised by Mr. Hugh Calderwood, Representative of the American Bureau of Shipping, at $935,000. Insurance payable to the Bondholders in case of loss is carried to the amount of $1,000,000.

In addition, this Issue is a Floating Charge on the other Fixed Assets of the Company, valued at over $4,000,000, subject only to the First Mortgage 7% 10-year Serial Issue. The Company further covenants not to place on its present fixed assets during the life of the issue now offered any mortgage other than the aforesaid Serial First Mortgage. The outstanding bonds of this serial issue are being retired at the rate of $125,000 per annum, and will all be redeemed prior to the maturity of the bonds now offered.

EARNINGS

The Average Net Earnings of the Company for the past six years derived from all its operations, after deducting depreciation, available for bond interest, have been at the rate of over three and a half times the interest charges on all bonds outstanding, including this issue. Net Earnings should be materially increased by the addition of the three new vessels mentioned above and, in addition, interest charges decrease annually with the retirement of the Serial Issue.

The books of the Company have been examined on our behalf and the earnings have been certified to us, by Messrs. P. S. Ross and Sons.

Price: 99 and accrued interest, to yield about 6.65%

McLeod, Young, Weir & Co.
LIMITED
INVESTMENT BANKERS
23 JORDAN STREET
TORONTO
40 HOSPITAL STREET
MONTREAL

Murray and Company
INVESTMENT BANKERS
CONTINENTAL LIFE BUILDING
TORONTO

These statements are not guaranteed, but are based on information which we believe to be reliable and on which we acted in purchasing these securities.

Important Bankruptcy Finding Handed Down

From Our Own Correspondent.

ST. JOHN, N. B.—An important judicial finding has just been announced by Mr. Justice McKeown, of St. John, chief justice of the King's Bench division. A. F. Kenney, of Sunny Brae, N. B., a general merchant, went into bankruptcy and then made a compromise with his creditors upon all payable debts. The DeLaval Company, of Peterborough, Ont., claimed to rank as preferred creditors because of a lien held on machinery. The property of the bankrupt suffered from fire, the machinery on which the DeLaval Company held the lien being destroyed. The company entered a petition to share in the distribution of the compromise settlement. Kerney opposed this on the ground that the company had forfeited this right because of claiming right of priority over other creditors. The presiding justice held the plaintiff company had the right to share in the compromise.

Return of the Chartered Banks of the Dominion of Canada, July 31, 1923

Made to the Minister of Finance in conformity with Section 112 of the Bank Act, Chapter 9, of the Statutes of 1913

LIABILITIES

NAME OF BANK	Capital authorized	CAPITAL STOCK		Amount of Reserve Fund	Last Dividend declared	Notes in circulation	Due to Dominion Government	Due to Provincial Governments	Demand Deposits in Canada	Notice Deposits in Canada	Deposits Elsewhere	Loans from Banks in Canada
		Capital Subscribed	Capital paid up									
	$	$	$	$	%	$	$	$	$	$	$	$
Montreal*	31,175,000	27,250,000	27,250,000	27,250,000	12	38,319,740	18,325,446	8,361,755	116,305,740	288,754,242	70,041,668	....
Nova Scotia	15,000,000	10,000,000	10,000,000	19,500,000	16	14,438,510	472,813	1,170,143	29,922,867	105,762,225	30,510,879	....
Toronto	10,000,000	5,000,000	5,000,000	6,000,000	12	6,286,653	624,274	1,329,209	27,029,686	46,673,013	....	....
Molsons	5,000,000	4,000,000	4,000,000	5,000,000	12	4,984,871	107,669	812,809	13,434,247	41,682,900	....	....
Nationale	5,000,000	3,000,000	2,995,310	400,000	6	4,988,690	859,483	1,509,582	6,015,841	26,293,384	7,179,834	....
Provincial	5,000,000	3,000,000	3,000,000	1,500,000	9	2,779,684	65,283	190,319	4,357,918	23,715,422	....	....
Union	15,000,000	8,000,000	8,000,000	1,750,000	10	7,513,800	2,734,505	2,957,304	27,713,009	59,800,262	3,903,856	....
Commerce	25,000,000	15,000,000	15,000,000	15,000,000	12	21,802,710	1,497,978	5,457,172	96,618,169	159,274,784	40,968,992	....
Royal	25,000,000	20,400,000	20,400,000	20,400,000	12	28,224,192	742,852	1,660,626	90,032,806	180,685,805	142,569,034	....
Dominion	10,000,000	6,000,000	6,000,000	7,000,000	12	7,007,849	276,831	683,752	26,739,930	64,607,115	1,671,684	....
Hamilton	7,000,000	5,000,000	5,000,000	4,850,000	12	4,945,942	83,971	868,023	13,279,144	39,404,141	....	....
Standard	5,000,000	4,000,000	4,000,000	2,750,000	14	4,555,710	2,080,446	475,766	15,924,133	43,122,679	....	....
D'Hochelaga	10,000,000	4,000,000	4,000,000	4,000,000	10	5,947,294	659,542	221,797	9,069,529	44,468,072	....	....
Imperial	10,000,000	7,000,000	7,000,000	7,500,000	12	9,836,851	476,728	2,552,567	25,723,378	62,986,747	....	....
Sterling	3,000,000	1,266,600	1,234,900	500,000	8	1,092,978	3,975,901	956,883	3,295,518	11,372,793	....	....
Weyburn Security	1,000,000	655,700	524,560	225,000	7	318,382	34,545	4,330	1,083,085	1,448,772	....	....
Total	182,175,000	123,572,300	123,404,770	123,625,000	....	163,043,856	33,018,267	29,212,037	506,545,000	1,200,052,356	296,845,947	....

NAME OF BANK	Balance due to Banks in Canada	Due to Banks in the U.K.	Due to Banks Elsewhere	Bills Payable	Acceptance under letters of Credit	Other Liabilities	Total Liabilities	Loans to Directors	Average Gold and Coin Held	Average Dominion Notes Held	Greatest Amount notes in circulation
	$	$	$	$	$	$	$	$	$	$	$
Montreal*	3,038,156	141,340	332,771	963,792	3,570,687	1,026,972	549,182,314	495,214	29,041,752	54,227,238	41,087,546
Nova Scotia	1,809,183	99,168	1,113,462	293,069	384,167	15,773	185,992,263	861,119	9,467,368	11,961,069	15,391,649
Toronto	602,856	100,660	1,026,335	....	323,272	1,418	83,997,380	419,995	1,000,368	5,443,768	6,837,750
Molsons	400,475	8,551	258,308	....	260,233	362,526	62,312,592	100,565	591,548	3,884,221	5,227,396
Nationale	306	3,212	170,410	150,000	....	102,836	47,273,581	294,627	431,200	1,067,200	5,053,780
Provincial	6,049	....	1,162	....	....	168,861	31,284,701	....	179,171	285,677	2,974,744
Union	461,470	2,218,034	1,591,592	....	1,179,577	10,228	110,083,643	14,181	1,173,183	6,869,628	8,243,759
Commerce	189,669	416,044	7,249,675	1,704,461	5,549,029	6,869	340,735,558	1,532,649	15,395,000	24,648,000	23,571,793
Royal	843,742	239,949	15,674,841	4,049,764	4,422,207	14,682	469,160,506	605,422	10,270,476	23,130,200	30,192,621
Dominion	576,450	656,337	1,978,232	335,983	1,426,053	491,595	106,451,819	322,358	2,052,000	6,910,000	7,394,436
Hamilton	151,195	9,738	587,346	....	188,782	....	59,518,287	926,273	934,872	2,328,274	5,358,247
Standard	1,776,093	402,556	1,378,543	439	80,741	174	69,797,284	46,993	1,737,592	4,101,484	5,207,085
D'Hochelaga	....	181,015	365,955	....	108,980	1,356	61,023,545	108,830	544,916	1,936,390	6,279,789
Imperial	917,614	952	414,139	....	119,082	....	103,028,062	91,897	1,892,860	8,746,808	10,681,151
Sterling	302,539	16,073	68,449	....	10,137	1,366	21,092,640	170,595	68,381	784,941	1,192,086
Weyburn Security	....	....	15,570	....	....	35,028	2,939,715	23,968	17,940	91,765	342,497
Total	11,075,797	4,493,629	32,226,790	7,497,508	17,622,947	2,239,684	2,303,873,890	6,814,686	74,798,627	156,416,663	175,036,329

*Bonds of the Merchants Realty Corporation to the extent of $2,835,000 secured on premises leased to the Bank are in the hands of the public. These bonds do not appear in the above Statement, as the Bank is not directly liable therefor.—Footnote to Bank of Montreal return.

†Bonds of the Canadian Realty Corporation, Ltd., to the extent of $2,600,000, secured on premises leased to the Bank, are in the hands of the public. These Bonds do not appear in the above Statement, as the Bank is not directly liable therefor.—Footnote to Union Bank return.

ASSETS

NAME OF BANK	Current Gold and Subsidiary Coin	Dominion Notes	Deposit for note circulation	In Central Gold Reserves	Notes of other Banks	Cheques on other Banks	Balances due from banks in Canada	Due from banks in United Kingdom	Due from Banks elsewhere	Government Securities	Canadian municipal, British and foreign Securities	Railway and other bonds and stocks
	$	$	$	$	$	$	$	$	$	$	$	$
Montreal	30,109,309	56,963,617	1,320,000	14,000,000	4,078,972	19,191,897	....	3,052,326	8,057,430	45,380,888	30,145,283	2,925,576
Nova Scotia	9,499,684	10,271,067	492,442	6,000,000	3,717,770	8,743,282	51	309,220	2,383,630	31,687,908	9,564,373	6,860,853
Toronto	1,006,439	7,665,961	278,464	2,150,000	580,175	3,462,568	....	....	826,081	15,246,666	3,358,538	1,247,740
Molsons	594,084	3,717,900	195,000	2,000,000	699,449	3,470,660	18,288	1,589,298	1,380,204	6,837,557	1,256,344	1,502,763
Nationale	441,806	1,254,014	150,000	2,200,000	697,563	1,630,159	1,458	....	1,104,234	16,244	6,304,715	8,468,966
Provinciale	183,751	347,082	151,565	....	625,230	1,805,366	2,783,477	248	173,382	2,444,461	2,964,161	1,371,862
Union	1,192,242	7,461,538	396,000	600,000	744,597	3,481,785	58,099	357,569	990,445	16,879,776	7,947,274	†3,593,506
Commerce	9,480,916	17,177,799	750,000	9,550,000	3,275,100	14,426,132	....	195,404	9,732,882	35,112,742	13,373,555	6,723,533
Royal	10,666,280	24,859,828	1,020,000	10,500,000	26,443,556	19,071,826	880	1,415,405	19,587,256	31,167,579	15,677,935	9,335,575
Dominion	2,100,146	6,533,840	300,000	1,700,000	838,703	6,166,307	29	126,155	1,237,894	16,856,444	3,597,996	2,410,811
Hamilton	962,600	2,911,986	250,000	500,000	667,976	3,001,079	470,174	140,820	476,844	3,146,434	2,786,916	412,591
Standard	1,770,365	6,057,921	200,000	1,100,000	467,436	4,247,695	100,000	41,895	850,542	8,705,887	2,399,713	343,865
D'Hochelaga	574,455	2,191,348	200,000	2,300,000	1,475,499	2,925,361	232,211	31,177	499,100	3,448,847	5,633,418	920,175
Imperial	1,931,641	8,870,930	330,502	4,502,533	1,331,751	4,967,166	617,849	362,691	1,251,858	13,938,453	4,645,848	405,872
Sterling	73,135	1,100,151	66,000	....	145,253	622,660	5,015	24,293	148,766	10,928,080	1,320,585	294,575
Weyburn Security	17,636	92,192	24,254	....	19,495	9,293	220,803	....	162,243	6,246	13,314	....
Total	70,604,489	157,477,174	6,124,227	57,102,533	45,808,525	97,223,236	4,508,334	7,646,501	48,862,791	241,804,212	110,989,968	46,818,362

NAME OF BANK	Call loans in Canada	Call loans elsewhere	Other Current Loans in Canada	Other Current Loans elsewhere	Loans to Provinces	Loans to municipalities	Overdue debts	Real Estate other than premises	Mortgages on real estate sold	Bank Premises written off	Letters of Credit	Other Assets	Total Assets
	$	$	$	$	$	$	$	$	$	$	$	$	$
Montreal	6,706,249	105,854,757	221,171,304	16,535,510	627,588	23,885,608	1,207,438	576,451	939,291	10,000,000	3,570,687	*1,319,671	607,439,861
Nova Scotia	10,017,367	11,124,443	80,088,147	12,236,595	....	5,023,428	365,870	67,893	156,829	7,294,001	384,167	242,279	216,531,311
Toronto	6,882,397	....	47,423,337	....	....	2,600,629	414,349	....	....	3,474,927	323,272	....	96,941,549
Molsons	4,609,696	....	39,025,910	....	....	670,020	510,500	48,918	18,187	3,124,866	260,233	354,089	71,883,974
Nationale	317,221	....	25,812,179	....	....	372,365	849,807	443,418	330,387	178,619	....	290,923	50,864,088
Provinciale	5,471,369	....	14,669,260	....	....	1,312,414	260,170	5,500	9,750	1,295,410	....	158,886	36,033,350
Union	2,085,843	492,661	59,720,778	3,079,504	2,465,899	4,154,969	341,043	233,160	390,456	2,383,872	1,179,577	32,632	120,263,234
Commerce	15,511,285	19,881,758	166,616,150	22,788,352	1,839,879	12,529,211	806,091	927,674	169,963	7,756,357	5,549,029	65,068	374,138,891
Royal	18,300,765	48,621,206	152,602,899	96,721,757	245,674	8,910,884	482,796	1,890,027	132,447	12,774,108	4,422,207	60,003	514,910,903
Dominion	6,657,428	3,366,354	57,494,305	1,472,356	....	1,206,025	313,592	66,517	15,250	6,200,967	1,426,053	499,882	120,587,063
Hamilton	7,249,320	....	37,990,704	....	45,064	3,838,447	330,152	685,576	108,463	3,382,499	188,782	349,270	69,895,707
Standard	2,596,465	....	43,634,782	....	....	1,715,407	255,042	280,540	49,100	1,883,983	80,741	97,684	76,879,068
D'Hochelaga	5,347,371	....	36,490,616	....	....	2,164,661	666,862	314,590	603,831	3,648,540	108,980	89,388	69,866,437
Imperial	3,873,843	2,250,000	56,379,382	....	279,313	5,074,732	443,230	431,751	384,281	5,626,821	119,082	591,864	118,611,403
Sterling	75,293	....	7,091,213	....	....	307,968	25,741	12,642	7,316	590,392	10,137	117,042	22,966,266
Weyburn Security	....	....	2,387,118	....	....	125,077	120,745	115,733	51,446	215,373	....	67,598	3,648,572
Total	95,701,912	191,591,179	1048,598,084	152,884,074	5,503,417	73,891,845	7,213,428	6,100,390	3,366,997	69,730,735	17,622,947	4,336,279	2,571,461,677

Column No. 4. Of this deposit $9,502,533 is in gold coin; the balance is in Dominion notes.

*This amount includes $885,000 bonds of the Merchants Realty Corporation held by the Bank that were not issued to the public.—Foot-note to Bank of Montreal return.

†This amount includes $1,150,000 of Bonds of the Canadian Realty Corporation, Ltd., which were not issued to the public, and $999,300 of Stock of the Canadian Realty Corporation, Ltd., held by the Bank.—Foot-note to Union Bank return.

DEPARTMENT OF FINANCE, OTTAWA, AUGUST 23rd, 1923.

LAURENTIDE'S 6.9% OF NET EARNINGS LARGER THAN 1922

Big Increase in Working Capital—"Street" Expected More

OUTLOOK IS GOOD

Company's Profits were Mostly Earned in Six Months of the Year—Demand Will Equal Supply

From Our Own Correspondent

MONTREAL.—Twenty years ago, when Laurentide changed from a pulp company to a pulp and paper company under the direction of its founder, Sir William Van Horne, it was passing through a period of considerable difficulty. The company's position to-day, revealed in the 1923 annual statement just issued, recalls none of these early struggles for existence of the company that Van Horne, R. B. Angus and General Russell A. Alger had established in the then wilderness of the St. Maurice Valley.

Laurentide earned 6.9 per cent. on its stock in the fiscal year ended June 30, 1923. This compares with 6.23 per cent. in the previous year and over 15 per cent. in 1921. The 1921 profits were calculated before taking into account serious losses on inventories and cannot be fairly compared with the present figure. The 1923 report does not reveal a profit quite up to the expectations of the stock market followers, but it is recognized that for only a portion of the year was the company benefiting from the higher prices for newsprint paper that are now in force. A very large proportion of the total profits was earned in the last six months of the twelve.

Working Capital Enhanced

Of particular value is the fact that the company has been able to increase its working capital another $600.000, chiefly by reducing its bank loan from $3,500,000 to $2,500,000. The gradual reduction of this bank loan is reducing interest charges very considerably. These were $885,260 in 1921; $440,631 in 1922, and $424,998 in 1923. These figures constitute the only interest paid by the company. It has no bonded indebtedness nor is there any preferred stock to rank ahead of the capital shares.

Operating profits were $2,732,455 as against $2,266,254 in 1922. After depreciation and interest the net profits available for dividends amounted to $1,989,103 as against $1,794,061, an increase of about $200,000. The comparative figures for three years past have been as follows:

Profit and Loss Account

	1923 $	1922 $	1921 $
Op. profit	2,732,455	2,266,254	5,374,565
Miscl. prof.	49,435	94,386	1,029,829
Invest.	386,107	332,513	319,637
Totl. inc.	3,167,998	2,693,154	6,724,032
Int.	424,998	440,631	885,260
Balance	2,743,000	2,252,523	5,838,772
Deprec.	753,896	458,461	1,322,843
Net profit	1,989,103	1,794,061	4,515,928
Divs.	1,728,000	1,728,000	1,728,000
Surplus	261,103	66,061	2,787,728
Invent. res.	———	———	2,000,000
Balance	261,103	66,061	787,928
Prev. bal.	1,489,528	1,423,467	635,538
P. & L. bal.	1,750,632	1,489,528	1,423,467

The improvement in working capital position is set forth in the following comparative figures:

Working Capital Account

	1923 $	1922 $	1921 $
Cur. ass.	10,615,562	11,296,891	15,958,254
Cur. liab.	4,511,045	5,792,764	8,475,633
Work. cap.	6,104,517	5,504,127	7,482,621

New Director on Board

The name of Sir Vincent Meredith, Bart., president of the Bank of Montreal, appears in the list of directors for the first time, having been named to fill the vacancy caused by the death of R. B. Angus.

The president, George Chahoon, jr., in his report states that general conditions in the newsprint industry continue to be satisfactory with the outlook for the coming year that demand will be equal to the supply.

The reserve for employees' pension fund of $508,790.48 has been transferred to the pension committee, and now stands in the accounts payable pending investment.

The directors have deemed it wise to assist the employees to participate in the company's operations, and have purchased shares of the company's stock to the amount of $169,329.37, which amount has been fully subscribed by some 580 employees. This amount is being carried in accounts receivable, the stock being held as collateral.

Canadian Farms Are An Average of 200 Acres

An increase of nearly 40 acres in the size of the average Canadian farm in the last census decade, is shown by the returns to the Dominion Bureau of Statistics. The average farm in Canada in 1911, was 159.23 acres; in 1921 it was 198.35 acres.

There was an increase during the decade in the number of occupied farms of one acre and over from 684,505 to 711,090 and in the area of occupied farms from 100 million to 141 million acres.

Farms of 100 to 200 acres now number 229,648 and those of 300 acres and over came next to the number of 164,897. Under five acres there were only 21,503 farms reported.

Brazilian Earnings at New Mark In July

Gross and net earnings of Brazilian Traction show a new high mark of the year reached in July, the increase being 2,125,000. The figures:

July—	1923 Milreis	1922 Milreis	Increase Milreis
Gross earn. from oper.	21,300,000	16,655,000	4,645,000
Operating exp.	8,448,000	5,955,000	2,493,000
Net earnings	12,852,000	10,700,000	2,152,000
Agg. gr. earn. from Jan. 1	138,763,000	109,170,000	29,593,000
Agg. net earn. from Jan. 1	83,473,000	67,355,000	16,118,000

The following table gives the earnings, month by month, for the past year:

	———Milreis———		
1922—	Gross	Net	Net Inc.
July	16,665,000	10,700,000	1,429,000
Aug.	17,168,999	11,024,000	1,585,000
Sept.	17,572,000	11,584,000	2,950,000
Oct.	18,231,000	11,900,000	2,739,000
Nov.	17,735,000	11,240,000	2,420,000
Dec.	17,873,000	11,403,000	2,049,000
1923—			
Jan.	18,658,000	11,027,000	2,231,000
Feb.	17,742,000	10,322,000	2,362,000
March	19,475,000	11,811,000	2,514,000
April	19,727,000	11,546,000	1,986,000
May	20,990,000	12,706,000	2,511,000
June	20,870,000	12,809,000	2,362,000
July	21,300,000	12,852,000	2,152,000

INVESTORS CAN COLLECT ON TAX PAID GT. BRITAIN

Terms On Which Relief Can Be Had From Levy

From Our Own Correspondent

MONTREAL.—Investors living in Canada who have an income from investments in England can obtain relief from their income tax payable in the United Kingdom under certain conditions.

In the case of Foreign and Colonial Government Securities or Loans, Debentures and Shares of Companies, the direction or control of which is outside the United Kingdom, any person resident abroad who does not retain a residence in the United Kingdom, and whose visits to the United Kingdom do not amount to six months in the fiscal year ending 5th April, is not subject to the British Income Tax, and if it is deducted may claim a refund. In the case of bearer Securities lodged with a bank or agent in this country, a declaration by the latter when presenting the coupons for encashment, secures payment in full without deduction of the tax. In the case of income derived from United Kingdom Securities, no refund of Income Tax deducted can be obtained by a person resident abroad, except in the following special cases, which count for purposes of exemption, abatement or relief as though they were resident in the United Kingdom. These special cases are:—

(1) Any person who is a British subject.

(2) Any person who is, or has been employed in the service of the Crown.

(3) Any widow who is in receipt of a pension chargeable with Income Tax and granted to her in consideration of the employment of her late husband in the service of the Crown.

(4) Any person who is employed in the service of a Missionary Society abroad.

(5) Any person who is employed in the service of any Native State under the protectorate of the British Crown.

(6) Any person who is resident in the Isle of Man or Channel Islands.

(7) Any person who is resident abroad for the sake of health.

Relief is Limited

It is important to observe, however, that the amount of relief which the Act gives is strictly limited by the following clause:

> No allowance, deduction, reduction of rate, or relief shall be given so as to reduce the amount of the Income Tax payable by an individual below an amount which bears the same proportion to the amount which would be payable by him by way of tax if the tax were chargeable on his total income from all sources, including income which is not subject to Income Tax charged in the United Kingdom, as the amount of the income subject to Income Tax so charged bears to the amount of his total income from all sources.

The purport of this may perhaps be explained briefly as follows, viz.: That if, suppose we assume that the income derived from the United Kingdom is, say, three-fifths of the total income from all sources, the tax payable in such case must not be less than three-fifths of the total tax which would be chargeable on such a total income. The following is a simple illustration. Assume the facts to be:—

Income from United Kingdom sources	£600
Total income from all sources	£1,000

Relation of £600 to £1,000 — three-fifths

Working Out the Tax

Assume also the income to be wholly unearned and that the claimant is unmarried, then the amount of tax that would be chargeable on his total income if he were a resident in the United Kingdom is £169. 6s. 3d., calculated as follows:—

Total income from all sources	£1,000			
Less allowance	135			
	865			
Tax at 2s. 3d. in the £ on	225	—£25	6	3
Tax at 4s. 6d. in the £ on	640	—144	0	0
	£865	£169	6	3

Therefore the actual amount of tax payable by him in respect of his income from the United Kingdom must not be less than three-fifths of £169. 6s. 3d.=£101. 11s. 9d., and any tax which he may have paid in excess of this amount is recoverable by him.

Relationship of Paper and Labor

By THOMAS J. BURKE, C. A.
Secretary-Treasurer, Cost Association of the Paper Industry.

We all know nowadays the difficulties attending on anybody who attempts to build a house, owing to the labor situation.

It has often been pointed out that everything that goes into the making of a house requires a high percentage of labor. Roofing paper, building paper and wall paper are some of the smaller items and are particularly interesting in view of the fact that they are made by a process which itself requires a very high percentage of labor.

One has only to consider the start of paper making, which really takes place in the woods, where the trees are cut, necessarily by hand, and the logs hauled out by tractor or horse power, mostly the latter. The logs then have to be driven again by hand perhaps 100 or 200 miles before they arrive at the place where they are to be made into paper; where they have again to be handled by hand before they can be slashed and started on their mechanical way into the mill; but even in the mill the necessity for constant care, careful supervision, etc., requires that this product of the woods should be constantly nursed, which, of course, means labor.

If the reader has ever been near a large paper machine when a break occurred, he has a good idea of the number of hands it is necessary to employ in order to keep that machine running satisfactorily. Men seem to spring from all over the place and dash to the point where the break has occurred so that the paper may be again started on its way in the quickest possible time which, of course, requires that the break shall be cleared and the strip which leads the way shall be wound round the drums as the leader for the whole sheet.

Certainly at least 40 cents, and this is a conservative figure, out of every dollar of the cost of making paper is spent on labor, thus it can be seen that paper manufacturers must be very careful in making labor adjustments, since these have such a direct effect on the cost of making their paper.

In the first place they have a heavy initial investment in the cost of paper making machinery which, as everybody knows, is very expensive. Next they have a heavy material cost and on top of that a high labor cost, leaving but a small margin for administration and financial expenses, taxes and profits.

Of course, the only way in which they are able to meet this situation is by getting a large volume of production and one has only to read the trade journals to learn that larger and faster machines are being built as rapidly as possible

RICH GYPSUM DEPOSIT

A deposit said to be 99.8 per cent. pure gypsum is reported found in the area being opened up by the T. & N. O. extension north of Cochrane. It is located on a small tributary of the Moose River, twelve miles from the T. and N. O. Railway extension, about halfway north between James Bay and Cochrane. The deposit is reported to analyze 99.8 per cent. pure gypsum. The bed is one mile in width, facing on the river and going inland for some ten miles. T. J. McDermot, a Soo prospector, made the reported find.

OLD CHUM
SMOKING TOBACCO

SMOKE
in ½lb. tins
and 15¢ pkts.
OLD CHUM
The Tobacco of Quality

$1,500,000

Camaguey Electric Company

6½% First Mortgage Sinking Fund Gold Bonds, Series "A"

Dated October 1st, 1922. Due October 1st, 1952. Callable on three months' notice at 107½ to 1932; 105 to 1942; and at 102½ thereafter until maturity. Coupon Bonds in denominations of $1,000 and $500, with privilege of registration as to principal. Interest payable April 1st and October 1st. Principal and interest payable in Canadian gold coin in Montreal; in gold coin of the United States of America in New York, or Havana, Cuba; or, in sterling in London, England, at the fixed rate of exchange of $4.86 2-3 to the £1. Trustee: Montreal Trust Company.

CAPITALIZATION

	Issued
6½% First Mortgage Bonds, Series "A", due 1952 (this issue)	$1,500,000
7% General Mortgage Bonds, due 1952	1,500,000
Common Shares	2,000,000

SECURITY FOR BONDS

The 6½% Mortgage Sinking Fund Bonds, Series "A," are secured by first mortgage and charge on all the properties, plants, equipment and franchises constituting the entire electric lighting, power and tramway business in the City of Camaguey, and the entire electric light and power business in the City of Nuevitas and the adjoining ports of Port Tarafa and Pastelillo.

The physical value of the mortgaged properties—exclusive of any value for franchises or goodwill—is very substantially in excess of this Bond issue.

An Annual Sinking Fund of 1½% per annum of Bonds issued will commence operation on 1st April, 1925, and may be utilized by the Company for redemption of Bonds or re-invested in the Company's properties under certain restrictions.

EARNINGS

Net Earnings of the properties (as certified by Messrs. Deloitte, Plender, Griffiths & Co.), available for Bond interest, depreciation, etc., for the three years ended 31st December, 1922, were :—

1920	1921	1922
$315,584	$379,998	$352,200

The amount required to pay First Mortgage Bond interest is $97,500 per annum.

Average annual net earnings for the three years 1920-1922 inclusive, were $349,260 per annum, equivalent to over three and one-half times interest charges on this issue.

BUSINESS AND FIELD OF OPERATIONS

THE CAMAGUEY ELECTRIC COMPANY owns and operates all the electric lighting, power and street railway business in the City of Camaguey, and the entire electric light and power business in the City of Nuevitas and adjoining municipalities of Port Tarafa and Pastelillo. The Company's business has steadily expanded, as is evidenced by consistent increase in output of electrical energy, light and power customers having increased from 5,794 in 1919, to 6,984 in 1922; by increase in numbers of passengers carried from 3,469,789 in 1919, to 4,894,643 in 1922, and by the following gross earnings, as certified by Messrs. Deloitte, Plender, Griffiths & Co. :—

1913	$195,658	1916	$279,589	1919	$496,983
1914	207,098	1917	299,161	1920	621,790
1915	222,944	1918	413,293	1921	708,584
1922	$705,551				

Camaguey, the third largest city in Cuba, is the capital of Camaguey Province, and is the centre of a rich general farming, cattle-raising and sugar-producing district. Its growth has been both steady and substantial. In 1907 the city's population was 29,000; at the last census in 1919 the population was 41,909; to-day it is fully 48,000. Nuevitas, Pastelillo and Port Tarafa have a combined population in excess of 10,000. Port Tarafa and Pastelillo (which adjoin one another) are railway terminal points and, apart from Havana, possess the principal deepwater harbour facilities on the North Coast of Cuba. Last year over one-third of the shipments of Cuban sugar were handled through these ports.

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Gibson's
Fortnightly
Mining
Review
will keep you in touch with the progress of development in Northern Ontario's mines. The current issue of this little publication contains information concerning
Castle
Coniagas
Dome
Hollinger
Lake Shore
Hattie
Write for your copy to-day. It will be sent free for the asking.
Homer L. Gibson
AND COMPANY
Bank of Hamilton Bldg.
Toronto

French coal output for first six months was 29,248,000 tons, against 26,274,000 year ago, and coke output 2,392,000, against 2,671,000.

Mining Stock Quotations

Week Ending Sept. 4

	High	Low	Close	Sales
Atlas	5⅝	5	5	57500
Argonaut . . .	80	70	70	19250
Baldwin	7¾	6	7¼	80500
Beatty	12½	11	11¾	77000
Beaver	31½	29	31½	22500
Bidgood . . .	8⅞	7¾	8⅞	52000
Buckingham . .	9	8	8¾	21000
Castle Trethewey .	24½	23⅞	23⅞	5000
Chaput Hughes . . .	7	6	6	3000
Coniagas . . .	2.70	2.35	2.70	500
Cons. Smelters	28	27	27½	598
Cons. West Dome . . .	27	22¼	26	158250
Clifton	18	16¾	17¾	41500
Crown Reserve	60	57	60	21500
Dome Mines . .	38.60	35.40	37.25	1221
Dome Kirkland	2	1¾	2	2000
Gold Reef . . .	2½	2¼	2	4000
Goldale	55	52	54	11050
Hattie	15	12	12	112000
Hollinger . . .	11.70	11.55	11.60	3155
Hunton	9	8½	8¾	6000
Keora	9	8¼	9	10700
Keeley	1.88	1.79	1.79	3100
Kirkland Lake	35¼	31½	35	11900
La Rose	30	25	29	5025
Lake Shore . .	3.40	3.25	3.40	2650
Lorraine . . .	19½	17¾	17¾	120000
Montreal-Ont.	33	—	—	500
Matach. Gold .	37½	36	37½	40000
McIntyre . . .	17.00	16.50	16.55	2307
McKinley Darr.	16½	15½	16½	11500
Mining Corp. .	2.65	2.55	2.60	8100
Moneta	19½	17	17½	25500
Newray	46	43	45	38000
Nipissing . . .	5.60	5.45	5.45	1070
Peterson Lake .	10	9½	9½	14000
Porcupine Crown . . .	12	10	12	2100
Preston E. Dome	12	10⅜	11¾	54000
Sterling Coal .	40	30	40	30
Silver Leaf . .	⅞	—	—	500
Teck Hughes .	1.24	1.10	1.11	81850
Timiskaming .	37	36½	36½	2600
Thompson Krist	4½	4¼	4½	3500
Vickers	30¾	30	30	15500
Vipond Cons. .	73	60	70	91000
Wakenda . . .	5½	5	5	2500
Wasapika . . .	6	5½	5½	16500
West Tree . . .	9	8½	9	17500
Wettlaufer . .	13	9	10½	82500
Wright-Hargreaves	3.20	3.10	3.15	400
(New York Price).				
International Nickel, com.	13⅛	12⅞	12⅞	2200

We recommend the purchase of—
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Vickers
Newray
Goldale
We believe these Mining Stocks are an Exceptionally good purchase at present prices.
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MINING NEWS FOR THE INVESTOR

PORCUPINE GOLD VALUES INCREASE AT LOWER DEPTH

Such is Report of American Mining Engineer

From Our Own Correspondent.

MONTREAL.—In the opinion of an American mining engineer, Louis D. Huntoon, ore bodies in the Porcupine gold field will prove to extend to great depth and such depth will increase as development work advances in an easterly direction. Mr. Huntoon addressed the closing meeting of the convention of the American mining engineers in Montreal. He stated that it was found that ore mined in the porphyry mass on the Porcupine mines was disappointingly low.

On the question of depth of ore, Mr. Huntoon said in language that is not too technical to be understood by the average investor in mining securities:

"What controls the depth to which the orebodies will go? Will underlying porphyries cut off the values? There is no direct answer to these questions. The last annual report of the Dome mine indicates that the gold in the Temiskaming sediments is bottomed by the porphyry; a later report indicates valuable orebodies in the greenstones underlying the porphyry mass (500 ft. thick) but no ore in the porphyry. Further developments at the Dome should throw some light on these questions.

"There appears to be a decided rake of the orebodies to the east, as shown by the No. 5 vein on the McIntyre. The 84-56 veins of the Hollinger, which occur on or near the surface on the Acme (Hollinger Consolidated), is presumably the No. 7 vein on the McIntyre, which apexes at a depth of 1375 ft., showing a decided rake to the east. From this it would appear that the origin of the gold solutions was from the east and that they flowed upward westerly, possibly following a deep trough in the porphyry as well as fracture zones below certain overlying tongues of porphyry.

"The mineralization indicates that the orebodies were formed at depth. Various hypotheses can be deduced regarding the depth to which the orebodies will extend, but the author's opinion, based on present development work, is that the orebodies will extend to great depth and that such depth on individual zones will increase as advance is made easterly.

Grade of Ore With Depth

"My data are not sufficient to draw definite conclusions regarding the grade of the ore with depth. Available data, however, lead to the belief that starting with the apex of a vein, whether on the surface or below ground, the grade gradually increases for a considerable distance. This condition does not show in the mill heads, as annually reported by the operating mines, as the development of higher grade ore permits the economic mining of lower grade ore for an average mill head. On the No. 5 vein of the McIntyre, the upper levels were low grade; with depth, the grade increased, as shown by the annual report for 1916, which says; 'The grade of the ore has increased from $9.20 on the 400-ft. level to $12.62 on the 600-ft. level.' A similar condition was observable on McIntyre No. 7 vein early this year; the ore lenses developed on the 1875-ft. level were higher grade than those on the 1750-ft., and they, in turn, were higher grade than those on the 1650-ft. levels.

"Reports of the Dome mine, dated March 31, covering a period after the caving system of mining had been abandoned and the orebodies of the Temiskaming sediments in the vicinity of the intrusive porphyry are being mined, give the following annual mill heads: 1920, $6,96; 1921, $7.51; 1922, $8.20; and Mar. 31, 1923, $12.12.

"The examination of an assay map at another mine indicated that the value of the ore at that property was also increasing with depth. Without mine-assay sheets, from which a careful study can be made, definite conclusions cannot be drawn. The indications are that the value of any individual orebody increases perceptibly with depth and beyond this enriched zone the values will probably decrease."

Vipond Cons. Has Over $200,000 in Treasury

The annual meeting of Vipond Consolidated shareholders is called for the 20th of Sept. A notice mailed today to shareholders is accompanied by a financial statement showing the company has around $215,000 in the treasury.

The richness of the No. 10 vein on the 5th level is increasing with development., A northern mine manager. long associated with the Hollinger. is being quoted as declaring that the body is richer than anything ever opened on the big producer.

QUIT ON MONETA

Following a visit of Mr. Denny, engineer, representing the British interests, work has been halted on the Moneta. It is understood that results on the 100 ft. level were disappointing and it may be that drilling to depth may be undertaken.

New Mines Minister and Staff Did Well by the North Country

Thoroughness With Which American Institute of Mining and Metallurgy Was Handled Impressed the Visitors and the North

When the Hon. Charles McCrea, the new minister of mines, accompanied the members of the mining association through Northern Ontario, taking along Thomas Gibson, deputy minister, and five or six other members of the mining department, he did a good day's work for the country. The trip probably cost the province a few hundred dollars. It gave the mining men of Northern Ontario an opportunity of meeting the new minister, renewing acquaintance with the deputy minister, and of exchanging views with many of the important men of the department. It made the northern men realize the new minister's appreciation of the mining problems; and it gave to these mining men a chance to bring to the attention of the proper people in the department, the various problems which require solving in the interests of the North country.

The presence of the minister, Mr. Gibson, the deputy minister, Mr. Sutherland, chief of the mining inspection branch, Percy Hopkins, who has made a specialty of the Kirkland Lake district, Dr. Mickle, provincial mines assessor, and of such Northern men in the service of the Government as A. A. Cole, of Cobalt, geologist and mining engineer for the Temiskaming and Northern Ontario railways, and A. G. Burroughes, specialist on the Porcupine field, meant that the mining men from the States and from England got all the information which was available from the Department at Queen's Park. A foresight all too rare in government affairs was evidenced. Reports on the South Lorraine district recently prepared by Cyril Knight had been rushed through and were ready for distribution. So were other important reports on other Northern districts. As a result of all this, the different delegates got the most of the trip. They had the opportunity to inspect with the mine managers, the most interesting properties. They had the opportunity also to get that wider view of the district which could be given by the department officials.

It is always difficult to estimate results which come from such educational trips. One instance can be given, however, indicative of the returns to be expected. Among the party was a mining engineer now resident in the United States, but formerly connected with mining ventures in South Africa. This mining man who knows the Rand thoroughly, knew that the Northern Ontario districts had some wonderful showings; but he had thought these rather exceptional, and did not realize until he was on the ground and had the advantage of the inspection, and of the full information as given by the department, that the district is only commencing to develop; that it has its big days all ahead. This man has already definitely arranged to come into the North Country next summer for a thorough examination to the end of securing properties for development by the interest which he represents.

Paving the way for fully opening up this district makes the small expenditure in dollars outlayed by the mining department seem very small.

All visitors on this trip were impressed by the work the government have been doing for the North country—the splendid condition of the roads, all things considered, for example. For this some credit must be given to the late government. The present government seems to be pushing the work in a most aggressive way, and one which means much for the North country.

MINING CORPN. ONLY SCRATCHED HOLDINGS

Manager M. F. Fairlie Makes Interesting Report On Progress in Lorraine

A progress report issued by the Mining Corporation of Canada on its operation in South Lorraine, gives a very excellent idea of the high grade silver, which this company and the Keeley are mining in this new camp. So far the Mining Corporation has taken out 1,500,000 ounces of silver. In addition it has accumulated 8,000 tons of ore and fines, containing approximately 250,000 ounces. This latter fact evidences the richness of the silver produced, when it was only necessary to stope out 8,000 tons of ore. The report shows that the greater proportion of this silver has come from one stope above the third level of the rich vein. This contributed well over 1,000,000 ounces, within a dimension approximately 100 ft. by 80½ ft.

Very little vertical development has been carried on by the corporation. Reasons for this are that it has been hampered in its exploration and development work by the smallness of the main shaft. This is being overcome by the digging of a new shaft, which is now proceeding apace. It should be ready by early in October, and will allow sinking to a much greater depth. Number one vein of the property has been practically untouched, and future operation will consist of drifting on 150 and 300 foot levels. On the Watson vein practically nothing has been touched above the 300 foot level. Drifts north and south will be run on the fifth level and raising will be done on silver showings in the present drifts. One of the interesting operations to be carried out in the immediate future will be the cross cut to tap the Woods vein on the sixth level, which is the contact level. It is the intention to then drift in the Woods and it is around this horizon that the Keeley started to get bonanza ore. The report of M. F. Fairley, resident manager, outlines some very interesting operations in the immediate future on other parts of the property. Diamond drilling is proceeding on parts of the corporation's heavy holdings. The fracture on the Forneri and Little Keeley are so far untouched. He also remarks that while the expenditures on the properties have been very large in their acquisition and development, they have been amply justified. He says that exploration is now reaching the point where past experience justifies his prediction of very important developments. The holdings of the corporation are yet merely scratched and years of work will be necessary to explore their possibility. After pointing out that the holdings of the company are now approximately 500 acres, Mr. Fairley says of the geology: "On the whole acreage the same geological structure obtains as on the present section of the company's holdings, that is Keewatin, Greenstone, underlain by Nipissing, Diabase, and heavily fractured in a north and south direction. In the case of some of the northerly claims, the Keewatin, though underlain with Diabase, is overlain with a capping of Cobalt sediments. The northern area of the corporation's holdings, as yet untouched, offers the same favorable opportunity for successful development as the southern area now being worked. Since the annual meeting a great deal of new construction work in the line of camps, etc., has been carried out on the property.

Details of Canada's Mineral Production for 6 Months of 1923

Metal prices played an important part in the production of Canada's minerals this year.

An interesting situation is reflected in the price indexes of metals, etc., compiled by the Internal Trade Branch of the Bureau. Taking the average price for 1913 as a base of 100 the index for non-ferrous metals during the period under review stood at 99.9 in January, 97.8 in February, about 102 during the next three months and 101.4 in June. That is to say the average prices of non-ferrous metals in Canada during the first six months of 1923 were almost identical with the prices prevailing for these commodities in 1913. Non-metallic minerals on the other hand showed an average of approximately 85 per cent. in excess of the 1913 average. The non-metallic group includes such materials as coal, brick, lime. cement, glass, petroleum, pottery, sulphur and salt, etc. Iron and steel prices showed a greater fluctuation than either of the other two groups mentioned and ranged from 157.3 in January to a maximum of 171.5 in June, the advance being gradual and continuous throughout the period. Mineral prices as a whole advanced slightly during the period and were maintained, at an average of between 55 and 60 per cent. above the prices prevailing in 1913.

The production figures:

	1922 Value $	1923 Quantity	1923 Value $
Metallic—			
Cobalt	376,683	538,018	1,533,351
Copper	2,337,093	44,729,386	6,967,496
Gold	12,110,242	530,402	10,964,382
Lead	2,882,047	49,680,000	3,577,953
Nickel	1,401,820	27,071,426	8,427,335
Silver	5,997,199	8,336,946	5,506,469
Zinc	1,370,460	29,950,000	2,072,839
Others		....	194,789
Total	26,475,544	....	39,244,614
Non-Metallic—			
Arsenic	163,318	1,413	298,396
Asbestos	1,894,232	99,042	3,574,762
Coal	26,993,498	8,722,205	38,188,343
Corundum	....	....	....
Feldspar	108,405	17,622	129,890
Gypsum	781,215	189,648	820,974
Mica	39,807	1,138	131,975
Natural gas .	2,448,829	8,414,563	3,251,747
Petroleum, crude	300,402	83,189	259,763
Quartz	36,539	58,325	125,183
Salt	836,648	89,235	755,694
Others	282,928	....	340,542
Total . .	33,885,565	....	47,907,364

COPPER QUOTATIONS LOWEST FOR YEAR

Copper recently reached the lowest quotation of the year when sales were recorded at New York in a continued inactive market at 13.70 cents a pound for cash. The previous low price for the year was 14 cents. The new low represents a decline of 3.55 cents, cash settlement, from the 17.25-cent price reached on March 19. Bidding price for futures declined to 13.50 cents, against 13⅞ cents asked.

The falling copper market is clearly reflected in the export figures from New York made public for the first half of the year. These were 368,455,360 pounds, compared to imports of 302,400,000 pounds, reducing the net exports to the comparatively insignificant total of 66,055,360 pounds for the period. For the first half of 1922 exports were 378,318,080 pounds, with imports of 173,600,000 pounds, making the net imports 204,718,080 pounds. Production by South American properties and deliveries at Atlantic coast points at low prices is believed to have played no little part in the present price movement.

Excellence in Mine Con
Attracting Attentio

AS GOVERNMENT reports just issue
increased mine production of the
metals, and official statements by the
operating companies reveal much larger
earnings, we believe we are ultra-cons
when we say—**Physical mine conditions**
ing were never equalled.

Company earnings, mine ore reserv
treasury surpluses are factors which ca
overlooked by investors, and should be
nized as the principal influence in
quotations.

Recent buying has been highly significa
basing our unbiased judgment upon the
improved conditions prevailing through
mining camps of Northern Ontario, we lo
confidence for price advances of a ver
stantial nature.

Write for Our Market Despatch
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"Timely
Talks
on Mining"
By
Irving J. Isbell

TALK NUMBER TWO

GOLD and FOOL'S G

Many years ago, when scientists in Europe were
troversy as to whether the earth was flat like a soup
and only the most venturesome of seamen dared risk
seas westward, an intrepid Spaniard, lured by tal
beyond the dream of avarice to be won in the m
across the seas, shipped a crew of hardy sailors on hi
craft, and with a special mass for their success an
embarked on the long voyage.

After weary months of storms and calms, buffete
sea, they reached a haven in some unknown harbor
erica. Then the search for the untold riches beg
after hunting diligently, they were rewarded, so hi
They discovered a deserted gold mine. Tons upon
speckled rock greeted their wondering eyes and se
delirious with delight. Their joy knew no bounds.
of an Empire was theirs.

When the hold of the ship was loaded to the
was still shipload upon shipload which could not be
to leave, yet anxious to return with their treasure,
to Spain, dreaming by day and by night of their
Power and prestige would be theirs. They reached
arduous and perilous voyage.

But fate had played the deluded seamen a cruel
testing a chunk of the "ore" it was found that the
which looked so much like gold, was not gold. It was
known in metallurgy as iron pyrites. It was worthless

There was plenty of real gold in South Americ
misguided seamen braved the perils of the Atlantic—
not know real gold from "fool's gold." And so th
came to naught through inexperience.

There are any number of investors to-day who
appreciate the fact that real gold is being mined—mi
lars worth of it every year—in the camps of Nort
They "pass up" the truly extraordinary possibilit
money in gold mining for the "fool's gold" of doubtf
oil, and other kinds of ventures.

There is no industry in the world where money
profitably and safely invested than in precious metal
thousands of people who have put their money in s
legitimate mines of Cobalt, Porcupine, Kirkland La
camps and who are receiving their dividends regularly
this statement.

Last week, I quoted Cecil Rhodes on gold mining
way. This week I am going to quote one of the best k
ties on Northern Ontario mining, J. B. Tyrrell, who
a statement which to my way of thinking is the stron
ment of gold mining in the North that has ever been

This statement follows: "Northern Ontario has no
permanent position as one of the great gold mining
the world. Large areas of it are known to be under
bearing Pre-cambrian rocks in which a few rich prod
namely the Hollinger, McIntyre, Dome, Wright-Har
Lake Shore, etc., have been opened up, while others n
of development will soon be added to the list of pro
ore in these mines will doubtless be found to exten
as far as favorable country rock continues, with n
mining limit but that made by heat of the interior o

In another part, Mr. Tyrrell says: "The mines wh
ready been discovered will doubtless be working for
In addition to these, considering the great extent of
and unprospected areas of Pre-cambrian rocks relative
pected areas and the possibilities of these covered and
ed areas for containing ore, I am quite confident that
rich mines will yet be discovered, and that Northern
be depended upon as a great mining country for
come."

Gold mining in Northern Ontario is a big busine
in a business-like way, quite contrary to the belief of
who still think that investing in mining stocks is lik
a horse race. Furthermore, gold mining in Northern
becoming one of the big industries of the province an
in a truly extraordinary manner.

Make no mistake—the gold being mined in North
camps is real gold—not the "fool's gold" that misinfo
sometimes would have us believe.

Mr. Isbell's "Timely Talks On Mining" will conti
for an indefinite period in this column. "Talk N
ber Three" will appear in the issue of September 1

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NEWS OF THE BANKS AND BANKING

MOVING SYSTEM NEEDED TO MAN PRAIRIE BRANCHES

Yet Conditions Such They Should Not be Asked to Remain Long

The present system of promotion and moving staff men is upheld from the Western standpoint by the contributor of the following. He argues that where there are so many new branches and so many of them located in small communities, it is necessary to send in staff men, and that it is not fair to expect these men to remain where chances for promotion are very limited and where social environment is hardly pleasing. What is to be said on the other side—in favor of leaving the manager in the field which he has developed?—J.W.T.

In response to your request for branch managers' views on the question, "To Move or Not To Move," it seems to me that this is a question that is being debated as to its effect on the banks and their customers without consideration as to the branch manager's own choice in the matter.

Speaking, therefore, from the viewpoint of a western branch manager, I think the banks would find it a very difficult matter in the long run to find the proper type of man to manage their country branches if the move and promotion system at present in force is not carried on. Many Western communities offer very little to the educated bank manager in the way of diversions, social life or culture, and often a good deal less to his wife, not to speak of the difficulties of bringing up a family in such a narrow environment. In scores of Western villages the population is only 100 to 200 people and even ordinary conveniences are looked upon as luxuries and good living conditions are not obtainable.

The bank manager, as a rule, comes from good social strata and has usually fair education and is possessed of a certain ambition and ability or he would not likely have attained the position of managership. If, therefore, when he does attain that position, he is going to be doomed to the prospect of a life largely spent in an uninteresting hamlet on the prairie that may be chosen by Head Office without regard to personal equations, then he would not be the type for a successful manager. If he was he simply would not remain there because a small country branch can only offer so much in the way of salary, and when the maximum is reached, either a move or stagnancy must take place.

Another drawback to long terms for managers in places is the shoe on the other foot if the manager appointed by the bank should be an unpopular and unqualified one. The writer has seen communities where the one hope of the business men was that some day the bank manager would be moved and be replaced by a man that was of more value to the locality.

In conclusion, I would state in my opinion that, under the Canadian system where we have to establish branches in such out-of-the-way and almost unlivable places, it would be impossible to operate under any other basis than the banks do at the present time because the right type of man will not find the prospect sufficiently attractive.

TORONTO BANK OPENS BRANCH

The Bank of Toronto has opened a branch at Alliston. This was the location of one of the Home Bank branches. This makes the eleventh branch of the Bank of Toronto in Simcoe County.

Exchange

NEW YORK FUNDS

	High	Low	Last Year High	Last Year Low
Aug. 30 ..	2 25-64	2⅜	1-32	par
Aug. 31 ..	2 13-32	2⅜	1-32	1-32
Sept. 1 ..	2 27-64	2 13-32	1-16	1-32
Sept. 3 ..	No	quotations.		
Sept. 4 ..	2 7-16	2⅜	3-64	1-32
Sept. 5 ..	2 7-16	2 13-32	1-32	1-32

STERLING, FRANCS AND LIRE

	Sterling Demand	Francs Demand	Lire Demand
Aug. 30	4.54 3-16	5.36	4.29¼
Aug. 31	4.54⅜	5.61½	4.25
Sept. 1	4.54	5.62	4.25
Sept. 3	...	...	...
Sept. 4	4.51 15-16	5.61	4.26
Sept. 5	4.52⅛	5.57½	4.24½

Weekly Bank Clearings

(In comparison with same week last year)

EASTERN CITIES

	Aug. 30, 1923	Change	%
Toronto	$ 84,706,192+	$ 5,007,553	6.2
Montreal . . .	80,189,161+	2,557,854	3.2
Quebec	6,580,406+	1,669,471	34.0
Hamilton . . .	5,501,919+	710,220	14.9
Ottawa	5,400,358+	487,022	9.9
Windsor	3,047,663+	77,375	2.6
St. John	2,989,672+	378,175	14.4
Halifax	2,414,346—	132,251	5.1
London	2,245,751+	279,549	14.2
Brantford	888,490+	110,192	14.1
Kitchener . . .	830,700—	43,467	4.9
Sherbrooke . . .	763,120—	25,074	3.1
Moncton . . .	708,342—	205,934	22.5
Peterboro' . . .	594,702+	38,936	7.0
Total East . .	$196,860,822+	$10,909,621	5.8

WESTERN CITIES

	Aug. 30, 1923	Change	%
Winnipeg . . .	$ 30,483,634+	$ 1,320,214	4.5
Vancouver . . .	13,465,246+	1,547,706	12.9
Calgary	4,589,117+	878,365	23.6
Edmonton . . .	3,279,363—	94,592	2.8
Regina	3,139,679+	329,330	11.7
Victoria	1,854,185+	217,821	13.3
Saskatoon . . .	1,411,669+	159,461	12.7
Moose Jaw . . .	1,033,702+	213,675	26.0
Ft. William . .	924,314+	350,521	61.1
Brandon	533,050—	75,905	12.4
New Westminster	472,906—	68,375	12.6
Medicine Hat .	283,768+	56,585	24.9
Prince Albert . .	227,981—	45,594	16.7
Total West . .	$ 61,698,614+	$ 4,789,212	8.4
Grand Total . .	$258,559,436+	$15,698,833	6.4
Year to date	$10,393,491,911+	$74,729,344	.7

GOT WORKERS TO SAVE WHEN BANK TOOK OVER PLANT

Advantageous Relations Established by the Manager

Near a branch bank in an Eastern city is a large factory employing about five hundred men, women and boys. Not long ago a new manager came to the branch bank. He was pondering one day on how he could increase the number of his depositors, particularly in the savings department. Just as he was pondering, the manager of the factory entered and sought additional credit. He had been treated very well by the bank, and the banker decided it was time to look into things.

The banker demanded a show-down. There followed an investigation, and the result was that the bank officially took over the plant, equipment and property, as well as stock on hand. An order to close the factory was issued. The affairs of the company were in a chaotic condition, and readjustment would be necessary before operation could be resumed.

The banker started comparing a list of employees with a list of depositors in his bank. He was very much surprised to find that, of the five hundred employees of the factory, not more than five had accounts in the bank.

The manager then called a general meeting of the employees, to discuss matters pertaining to the resumption of activities. He stressed on the necessity of a reduction in wages of fifteen per cent. A vote was taken and by a large majority the employees decided to accept the reduction. He also dilated at length on the necessity of stimulating production, which had been in a rut for several years owing to inefficiency on the part of the manager of the plant.

Incidentally, the banker pointed out that but five of the employees were customers of his bank, and suggested that each and every individual, young and old, and of both sexes, should become depositors. The suggestion, when coupled with the efforts of the banker to get the industry on solid footing again, and the realization of the employees that the banker was helping them as well as helping the industry and the bank, proved effective. In less than one month, three hundred of the employees had become depositors, with weekly deposits ranging from one to five dollars the rule. In due time practically all of the employees will be depositors in this bank's savings department. The non-depositors have notified the bank manager of their intention to open accounts just as soon as their financial status will permit in each case.

The industry is gradually being restored. The production has been increased, and greater efficiency is being exhibited. A new manager has been appointed and he has been unfolding new markets that have proved satisfactory. Thus, an industry that had been given up as hopeless was revitalized, and is becoming a financial winner. There is promise of cleaning up all outstanding obligations to the bank and to the creditors in other directions within a year.

And the success is all attributable to this banker's study of ways and means in handling human beings. After all, the study of man is one of the most fruitful studies a banker could interest himself in. Every good banker is a deep student of human nature.

Bank Loans in July Showed Drop As Did Also Deposits in Banks

Current bank loans in Canada declined $17,000,000 in July as compared with June according to figures just issued. Compared with July of last year, the total loans show $55,524,000 loss, indicating an easing up in business enterprise. The reduction in Canadian call loans has been slight while in call loans abroad the decline has been quite heavy, totalling $28,000,000, but at that stands $16,372,000 above July, 1922.

Demand deposits, though $24,612,000 lower than June, are nevertheless much higher than July of last year and the same applies to savings deposits. Note circulation is lower.

The figures:

ASSETS

Immediately Available Liquid Resources

	July, 1923	June, 1923	Change	July, 1922	Change
Specie . . . . . $	70,604,489	$ 71,228,368—	$ 623,879	$ 76,666,889—	$ 6,062,400
Dom. Notes . . .	157,477,174	158,528,282—	1,051,108	162,290,955—	4,813,781
Gold Reserve .	57,102,533	57,652,533—	550,000	52,402,533+	4,700,000
U. K. Banks . .	7,646,501	8,500,189—	853,688	12,942,955—	5,296,454
Foreign Banks.	48,862,791	63,769,917—	14,907,126	113,817,079—	64,954,288
Gov. Secs. . .	241,804,212	241,940,132—	135,920	191,624,089+	50,180,123
Call loans ab'd	191,591,179	219,607,375—	$ 28,016,196	175,219,091+	16,372,088
	$ 775,088,879	$ 821,226,796—	$ 46,137,917	$ 784,063,591—	$ 9,874,712

Loans and Securities Other Than Those of Canadian Government

	July, 1923	June, 1923	Change	July, 1922	Change
Public Secs. . . $	110,989,908	$ 109,874,400+	$ 1,115,568	$ 89,562,290+	$21,427,678
Railway Secs. .	46,818,263	51,254,548—	4,536,285	42,284,543+	4,533,720
Can. call loans	95,701,912	96,698,528—	996,616	96,770,236—	1,068,324
Current Loans	1,048,598,084	1,065,854,729—	17,256,645	1,104,122,176—	55,524,092
Loans Abroad .	152,834,074	156,095,243—	3,261,169	144,071,730+	8,762,344
Prov. Loans .	5,503,417	6,635,465—	1,132,048	6,975,340—	1,471,923
Municipal . . .	73,891,845	82,159,781—	8,267,936	77,475,949—	3,584,104
	$1,534,337,563	$1,568,672,694—	$34,335,131	$1,561,262,264—	$26,924,701

Other Assets

	July, 1923	June, 1923	Change	July, 1922	Change
Overdue Debts $	7,213,428	$ 7,226,753—	$ 13,325	$ 7,950,481—	$ 737,053
Real Estate . .	6,100,390	5,890,850+	209,540	4,812,851+	1,287,539
Mortgages . . .	3,366,997	3,213,123+	153,874	3,265,162+	101,835
Premises . . .	69,730,735	69,797,951—	67,216	70,959,349—	1,228,614
Lets. of Credit	17,622,947	17,727,666—	104,719	14,343,317+	3,279,630
Other Assets .	4,336,416	4,356,286—	19,870	3,933,842+	402,574
	$ 108,370,913	$ 108,212,629+	$ 158,284	$ 105,265,002+	$ 3,105,911
Total	$2,417,797,355	$2,498,112,119—	$ 80,314,764	$2,451,490,857—	$33,693,502
Note cir. dep. .	6,124,227	6,527,732—	403,505	6,435,605—	311,378
Int. Bk. Bal. .	147,540,095	173,333,584—	25,793,489	149,923,293—	2,383,198
Gross	$2,571,461,677	$2,677,973,435—	$106,511,758	$2,607,849,755—	$36,388,078

LIABILITIES TO THE PUBLIC

Liability to Government and Circulation

	July, 1923	June, 1923	Change	July, 1922	Change
Circulation . . $	163,043,856	$ 174,658,110—	$ 11,614,254,	$ 161,87,327+	$ 1,156,529
Dom. Gov. . . .	33,018,267	36,866,900—	3,848,633	57,046,402—	24,028,135
Prov. Gov. . . .	29,212,037	32,990,420—	3,778,383	30,499,759—	1,287,722
Demand Dep. .	506,545,000	531,157,019—	24,612,019	492,442,491+	14,102,509
Savings	1,200,052,356	1,214,245,872—	14,193,516	1,175,781,711+	24,270,645
Total	$1,706,597,356	$1,745,402,891—	$ 38,805,535	$1,668,224,202+	$38,373,154
Foreign	296,845,947	335,712,207—	38,866,206	347,529,412—	50,683,465

Due to Banks Abroad, Etc.

	July, 1923	June, 1923	Change	July, 1922	Change
U. Kingdom . . $	4,493,629	$ 4,639,684—	$ 146,055	$ 11,786,681—	$ 7,293,052
Foreign	32,226,790	31,649,388+	577,402	22,496,826+	9,729,964
Bills Payable	7,497,508	6,847,217+	650,291	7,528,828—	31,320
Acceptances . .	17,622,947	17,727,666—	104,719	14,343,317+	3,279,630
Other Liab. . .	2,239,756	2,413,113—	173,357	2,328,416—	88,660
Public Liab. . .	$2,292,798,093	$2,388,907,596—	$ 96,109,503	$2,323,671,170—	$30,873,077
Loans to Bks.	....	3,000,000—	3,000,000	....	....
Due bet. Bks.	11,075,797	16,443,547—	5,367,750	9,378,889+	1,696,908
Gross	$2,303,873,890	$2,408,351,143—	$104,477,253	$2,333,050,059—	$29,176,169

Home Bank Deposits Being Speculated In

The buying up of claims of Home Bank depositors is reported from Windsor as having developed a new side line with a few "main street" merchants. Pressed for ready cash, a number of clients of the defunct bank have offered their accounts to the highest bidder. One small dealer on Sandwich street, east, admitted having purchased $400 worth of Home Bank deposits at ten cents on the dollar.

"Sure, I take a chance," said the man, a foreigner. "If bank pay nothing, I lose $40, that's all; if they pay fifty per cent, I make $150 profit on my $40. That's what you people call good business, isn't it?"

Monthly Bank Clearings

(In comparison with same month last year)

EASTERN CITIES

	August, 1923	Change	%
Toronto	$443,579,577+	$81,880,586	22.6
Montreal	413,551,500+	39,803,888	10.6
Quebec	28,164,126+	5,078,517	21.9
Ottawa	26,415,469+	576,027	2.2
Hamilton . . .	26,096,025+	2,299,472	9.6
Windsor	14,824,077—	681,662	4.3
St. John	12,779,053—	348,175	2.6
London	12,339,896+	2,109,815	20.6
Halifax	12,156,905—	3,003,864	19.8
Brantford	4,210,525+	77,179	1.8
Kitchener . . .	4,130,324+	23,958	.5
Sherbrooke . . .	3,807,741—	203,033	5.0
Kingston	3,077,800+	240,208	8.4
Peterboro' . . .	3,070,862+	371,166	13.7
Total East	$1,008,203,880+	$128,224,082	14.6
Moncton	3,748,011		

WESTERN CITIES

	August, 1923	Change	%
Winnipeg . . .	$143,955,139—	$ 4,914,048	3.3
Vancouver . . .	65,375,070+	5,851,381	9.8
Calgary	20,323,416+	4,025,552	24.7
Edmonton . . .	16,622,745—	718,528	4.5
Victoria	9,163,067+	680,812	8.0
Saskatoon . . .	7,277,637+	127,063	1.7
Moose Jaw . . .	5,275,202+	841,498	18.9
Ft. William . . .	4,375,851+	1,240,826	39.6
Brandon	2,625,726—	423,083	13.8
New Westminster	2,428,294—	159,904	6.1
Pr. Albert . . .	1,319,501—	64,548	4.6
Med. Hat. . . .	1,243,271+	59,445	5.0
Total West . .	$280,022,919+	$ 6,546,456	2.8
Grand Total .	$1,288,226,799+	$134,770,538	11.6

Life Insurance Grows By Billions Each Year

A description of life insurance in America, given in a book, "The Greatest Family in the World," published by the Bank of the Manhattan Co., New York., contains a history of the rapid growth of insurance. It says in part:

"The business of Life Insurance in America is not very old. As recently as 1860 we had only 47 companies, with $180,000,000 of insurance outstanding upon the lives of 60,000 persons. The greatest development has occurred since 1905.

"The figures covering the period of expansion since 1906 are stupendous. The total outstanding insurance of all American companies has increased since 1906 from $13,500,000,000 to about $50,000,000,000 in 1923.

"In 1922, $10,500,000,000 new insurance was written, which is nearly as much as the total insurance in force twenty years ago."

It was announced that the 1924 convention will be held in Winnipeg.

In March of this year a passenger elevator in a Des Moines hotel crashed eight floors to the basement, killing three persons and injuring five others. The aftermath of such an accident is now beginning to appear. Eight suits have been filed in the Federal Court naming the hotel, the company that carried the elevator insurance, the manufacturer of the elevator, and two individuals as defendants. The eight suits are for $40,000, $30,000, $25,000, $17,500, $15,000, $15,000, and $15,000 respectively.

Most of the casualty companies operating in Canada and the United States write elevator insurance. Nearly all buildings which have elevators carrying public passengers are protected by this class of cover, but it is seldom that such heavy claims are made. While some policies are written with high limits, the extent of indemnity is usually fixed at $5,000 for one person and $10,000 for one accident.

The insurance is not so applicable to service elevators in industrial establishments such as factories, warehouses, etc., since the employees using these are protected by the workmen's compensation acts.

NEW BANK FOR HONAN, CHINA

Advices just received in Montreal from the Chinese Government Bureau of Economic Information state that the Honan provincial authorities are organizing a provincial bank, considered by them a necessary organ for improving the financial markets in the province.

Directors have already been appointed and the capital is to be $5,000,000. It will be opened for business as soon as one quarter of this sum is raised.

Staff Gossip

Robert Bailey who has resigned his position as manager of the Sterling Bank left recently for Toronto.—Stratford Herald.

* * *

W. H. Lugsdin, manager of the Bank of Commerce in Moncton, N.B., who has been ill following his transfer from St. John, N.B., has been spending some time with his family at Tidnish, N.S.

* * *

A. C. Rome, assistant manager of the Calgary branch of the Imperial Bank, has been appointed inspector with headquarters at Toronto.—Calgary Herald, Alta.

* * *

The Bank of Montreal closed its branch here last week. P. G. Greene has been transferred to Levis and H. G. Chant, the manager, will take his annual vacation before taking up duties elsewhere.—Stanstead Journal, Que.

* * *

A. G. Baird, who has been connected with the staff of the Bank of Nova Scotia, has been transferred to the branch at Perth, and has assumed his new duties there.—Hartland Observer, New Brunswick.

* * *

F. Petrie of the Canadian Bank of Commerce staff left for Mannville, where he has been transferred. Mr. Haynes of the Manyberries branch succeeds Mr. Petrie here.—Vegreville Observer, Alta.

* * *

Gordon Philip, late of the Bank of Montreal staff, Windsor, who has been home the past few months, has been transferred to one of the London branches of the bank of Montreal.—Listowel Standard, Ont.

* * *

J. N. Pugh, who was manager of the Union Bank here for past three years, has been transferred to the Strassburg branch. Mr. Thompson, of Wawota, is at present in charge of the bank here.—Maryfield News, Sask.

* * *

James Paxtor, of the Wilcox branch of the Bank of Nova Scotia, is relieving at the teller's post at the local branch of the bank. Claude Marlow having resigned recently to take a position with the Ford Motor Co. in Regina.—Swift Current Herald, Sask.

* * *

H. V. Cann, assistant general manager and New York agent of the Bank of Nova Scotia, for the past two years, is retiring. P. W. Murphy, superintendent of branches at the general executive offices in Toronto, will take his place in New York about September 10.

* * *

D. A. McMillan, manager of the local branch of the Bank of Nova Scotia, left recently for Kenora, Ont., where he will spend a fortnight's vacation with his family, who have been holidaying there for some time. D. B. Love is in charge during Mr. McMillan's absence.—Swift Current Herald, Sask.

* * *

Before leaving Halifax, N. S., for Hamilton, Ontario, W. J. Ambrose, formerly manager of the Bank of Montreal in Halifax, and previously in St. John, N. B., was tendered a farewell banquet by business men of Halifax. Changes in the St. John and Halifax branches were made about the same time. A. C. Skelton, who had succeeded Mr. Ambrose as manager at St. John, was transferred to Hamilton recently.

* * *

Mr. and Mrs. J. W. Paul have returned after their holiday at various points in Manitoba. The will leave in about two weeks' time for Penticton, B.C., where Mr. Paul has been transferred as manager of the Bank of Hamilton. A. D. Gillan, who is at present manager of the Caron branch of the bank, has been apointed to this branch, while Mr. Woodward, who has been acting manager here, has been appointed manager at Caron.—Rouleau Enterprise, Sask.

* * *

Fletcher Kerr, who has been assistant acountant of the Montreal branch of the Canadian Bank of Commerce for some time, has been transferred to the Mexico City branch of the bank where he will occupy the post of accountant. His successor is A. E. Gittus, now accountant at the Halifax branch. This is the second change of importance in the accountant's department of the Canadian Bank of Commerce at Montreal, W. J. Lucas having left a few weeks ago to accept a position with the Financial Service in Montreal.

* * *

The St. John branch of the Dominion Savings Bank will soon undergo extensive remodelling. Forty-six years ago this structure was rebuilt following a general city fire. Since then no repairs or rearrangements in the interior have been made, with the consequence that the interior of the bank is far from modern in appearance. According to local officials, the St. John branch is busier than any other of the savings banks under federal control, it is asserted more bonds being registered at this branch than in any other.

* * *

V. T. Olsen has been appointed manager of the Bank of Montreal at Kandahar to replace C. W. Stanley who has been promoted to the managership of the bank's branch at Valparaiso. Mr. Olsen is a graduate of the University at Copenhagen in Denmark and has been in banking service in Canada for the past ten years. He comes to Kandahar from the Verigin branch of which he has been manager for a considerable time. While in Verigin he was president of the Board of Trade, and before leaving there was presented with a silver tea set by the citizens.—Wynyard Advance, Sask.

* * *

One of Edmonton's most popular bank managers, Harry Ransford of the Dominion Bank, has been transferred to the head office of that institution at Toronto and will leave probably within the next two weeks to assume his duties there. W. N. Sheffield, of the Kenora branch of the Dominion Bank, will succeed Mr. Ransford here. For the eleven years during which he has been a resident of the city, Mr. Ransford has made a host of friends in both a business and social capacity. His work in connection with the Memorial Hall fund, the Red Cross Society and the 51st Battalion fund will keep him favorably in the minds of Edmontonians for a long time to come.—Edmonton Bulletin, Alta.

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TORONTO, SEPTEMBER 7, 1923

Edited for the thinkers of the nation—those people who analyze correctly and draw proper conclusions and who are responsible for the Nation's sound thought on matters political and economic.

CANNOT LONG IGNORE FACTS

ABOUT three months ago THE FINANCIAL POST pointed out how The Toronto Globe had painted a glowing picture of the success of public ownership of the Detroit Street Railway by closing its eyes to some of the very evident facts regarding the company's operations. No allowance was made for depreciation and the fact that no taxes were paid the city was overlooked.

By thus ignoring depreciation and other charges the city was able to show a paper surplus from operations for the first year of more than $1,000,000. Thus, for the time, the five cent fare was seemingly justified. But the city governors were wise enough to appreciate that they were only fooling themselves and they have now advanced the fares to 6 cents. Like Toronto, Detroit has found it impossible to provide service on the fares provided in the charters of the private company which built the lines and which it was not permitted to increase even under war conditions.

BRITISH PAPERS FORGETTING "FAIR PLAY"

WHAT clearer proof could be needed that the British public is not being given the facts concerning the Grand Trunk award than the following comment from "The Investor's Chronicle," a leading London financial paper:

"The facts have already been plainly and clearly—and judicially—set forth by ex-President Taft, Chief Justice of the United States, in his arbitration statement. They are hardly in dispute. The point is, that on the strength of those facts he awarded $48,000,000 to the Grand Trunk preference and ordinary stockholders, and they have got—nothing."

The British investor reading this article can come to no other understanding than that President Taft acted as arbitrator between the Canadian government and the Grand Trunk investors; that he awarded the latter $48,000,000 for their holdings and that the Canadian government ignored his award and gave nothing. The actual facts are well known. Three arbitrators were appointed and a majority of them declared that the securities were worthless. One arbitrator only submitted a minority report. Naturally the majority report was accepted. This English paper ignores the majority report and discusses for the benefit of its readers only the minority report.

The acceptance of the majority award was in accordance with British ideas of justice and fair play. The whole problem was decided in a manner befitting British justice. The British investor could ask nothing more. But the Old Country newspapers are not showing the same sense of British fair play. Their readers are fed upon misrepresentation and propaganda.

There is evidence that this widespread campaign in the British press is being directed from a central source. The former directors of the Grand Trunk who miserably failed their shareholders are now trying to justify themselves by an attempt to trying to blackmail Canada.

The campaign is becoming tiresome. If continued it will cause ill-will between Canada and the Motherland. There is, of course, a way in which it could be stopped immediately. Canada might offer to give back the Grand Trunk Railway and let the former owners assume the obligations necessarily incurred since its taking over. There would be a run for cover and a loud silence.

LOOK BEFORE YOU LEAP

THE demand for a supply of Alberta coal for Ontario is becoming widespread. In many places in the province meetings are being held to pass resolutions urging the governments to prevail on the National Railways to cut the freight rate so as to make the venture of shipping coal to the east commercially possible.

Another phase of the Alberta coal proposition is the promotion of companies in the East to mine coal for shipment to Ontario. THE FINANCIAL POST is desirous of doing everything possible to aid in the development of Alberta coal fields, but for the present feels that the time is hardly ripe for the launching of new companies. There are a large number of excellent operations in Alberta quite sufficient to take care of the demands for a considerable time. Investors being approached to purchase stock in them might well weigh the matter before investing their money. If the proposition is good, it will not suffer by the delay occasioned while proper investigation is being made. Promotions planned to ride along on a wave of popular sentiment, are not usually the most sound.

QUALITY COUNTS IN EXPORT TRADE

THE question of quality demands most careful attention from Canadian exporters at this time. The majority of manufacturers realize this and the goods they send to foreign customers are in nearly all instances above reproach, but occasionally, probably through carelessness or through lack of experience, Canadian goods not up to the standard do reach foreign ports.

The world is now witnessing a struggle in foreign trade the like of which has never been seen before. Every point counts in this struggle and is taken advantage of by our competitors.

Inattention to so vital a point as quality must obviously be fatal. Yet reports occasionally emphasize the fact that a few manufacturers are still prone to consider foreign markets as a place in which to get rid of goods that they cannot offer to their customers at home. It is important in these days that all goods sent abroad should be up to the highest standard. They should surpass, if possible, the quality of goods sold at home. One poor shipment arriving in a foreign market brings injurious consequences far out of proportion to the importance of the individual shipment itself.

Foreign buyers are scrutinizing more closely than ever the quality of the goods they buy. Inattention to even the small details of export trade is more prejudicial to export trade than ever before. It behooves every manufacturer to take no chances if he is looking to permanent foreign trade rather than to the reaping of a single immediate profit on goods that he could not sell at home.

VAN HORNE FAVORED PULPWOOD EMBARGO

SIR WILLIAM VAN HORNE, builder of the Canadian Pacific and creator of numerous other important and successful Canadian enterprises, always maintained that Canada should not allow the export of pulpwood. He waged a strenuous fight with the government of the day to protect Canadian forests and the Canadian paper-making industry by prohibiting the export of unfinished pulpwood.

"Stumps and holes in the ground; that is all we have to show for our exports," declared Van Horne one day. "One cord of pulpwood exported from Canada yields to Canada and all her interests less than six dollars, but the same cord of pulpwood manufactured into paper yields thirty-six dollars." The figures would be higher to-day but the principle and the proportion would remain the same. Van Horne also remarked, "No sane individual would waste his raw materials in such a way when he could do so much better with them, and I can see no good reason why a government should do so any more than an individual."

WORK AND WAGES

MOST advocates of the living, saving and various other arbitrary measures of wages also advocate six, eight and other reduced periods as a basis for the work-day. Ignoring the merits of the controversial question concerning the productive superiority of the eight-hour day as compared with the ten- or twelve-hour day, and disregarding the claims of those who contend that reduced hours of work should be an important factor in the make-up of higher standards of living, there is at least an apparent inconsistency in the joint advocacy of two programs the realization of either of which would automatically hinder or prevent the realization of the other. For, except on a basis of privilege for one productive group as against all the rest, there is no known way of increasing standards of living and wages except by the old-fashioned method of hard work.

At the moment, practically every able-bodied man who wants to work is employed and a shortage of labor is complained of. Large employers of labor who need more men for the purpose of increasing the production of goods in the interests of increased consumption, which is the only measure of advance in standards of living, are asking a modification of the immigration laws in order that they may supply from other sources the deficiency in productive labor. Organized labor is resisting these pleas, and the leaders of organized labor, who are the only spokesmen which labor seems to have, are also otherwise engaged in obstructing measures which are intended to bring about an improvement in the material condition of everybody in the country.

The farmer is asking himself and the country why it is that the purchasing power of the industrial worker stands at 50 to 60 per cent. above 1914, while the purchasing power of his own products is much below that level, The farmer wants to know the basis of the claim of the railroad worker, whose high wages are already a burden upon him, to a saving wage when the farmer himself cannot get more than a living wage by working from "kin to kaint." He is beginning to understand that after all allowance has been made for the various factors which contribute to his fall from the high level to which he was raised by the war demand for his goods, his main handicaps in the readjustment period have been those imposed by the privileged status of the railway and industrial workers.

It will become increasingly difficult for the politicians to simultaneously curry favor with the farmer and the worker by using the same brand of "hokum." As soon as the farmer gets his credit machinery working and his co-operative organizations going he will be able to restore his products to equilibrium with other commodities; that is, his products will again buy as much of other commodities, without regard to market price levels, as they brought before the war. He may even force himself into the privileged class now occupied by the industrial and railway workers, which means that they will go right back to where they started from. The saving wage is the ideal which we all should work for, but we ought to understand that we cannot reach it except by just that way—working for it, producing more goods.

COURTESY FUNDAMENTAL IN BUSINESS LETTERS

NOTHING is more certain to alienate the foreign buyer than discourtesy in business correspondence with him. Always the exporter should remember that the creation of good will is important far beyond the gaining or losing of an individual order. Even when the order has been lost, a courteous acknowledgment of the fact may lay the foundation for orders from the same source in the future. But a display of ill temper is sure to lose what might have been a valuable connection.

For example, a manufacturer, in a moment of irritation over his failure to close a deal with a reputable and experienced dealer in construction material, wrote a letter in which he assailed the judgment of the dealer, stating that the materials which the dealer had finally decided to buy were "worthless by-products, unsuitable for any purpose," and predicting that "no satisfactory results would be obtained."

The trade commissioner in the city in which the buyer was located was able to repair the damage to a certain extent by sending a formal expression of regret to the local firm, but, even so, it is doubtful whether the manufacturer who wrote the letter will secure any orders from this particular dealer.

Fortunately, such instances are of rare occurrence, but this one case illustrates the futility of "scolding" the foreign merchant, when a more sportsmanlike attitude might have served as a stepping stone for orders in the future.

EDITORIAL NOTES

THROUGH THE formation of plant councils, which will give representation to the workers in the administration of the works, the British Empire Steel Corporation is taking aggressive action to restore confidence on the part of their employees. It has been this lack of confidence, for which the company must share responsibility, which has led to that dissatisfaction which was readily capitalized by the Red leaders.

Coolidge Not to be Bossed

New President of the U. S. Thinks for Himself and Acts When Ready

Barron's, in an article discussing the character and career of President Coolidge, says in part:

A phenomenon—doing big things without visible effort. A paradox—disobeying many of the "rules" for political success. A silent man—but eloquent. An enigma to the public at large and a good deal of a puzzle to those in daily contact with him. Very likely to do the unexpected thing. Almost austere in manner, almost devoid of emotional display, quite indifferent to the ordinary arts of good fellowship — yet "holding" men, never forgetting a kindness, and grappling to himself a few worthy and powerful friends as with Shakesperian "hooks of steel." This is Calvin Coolidge, President of the United States.

No two men interpret his career, his capacities, his character, alike. To some, he reaps the harvests other men have sown, collects dividends without personal investment, happens by pure luck to be on the spot where the lightning strikes. To others, he simply accepts each duty as it offers, never running away, never grabbing before the job is deposited on his doorstep, and always making good.

This curious new occupant of the White House will be his own man. He is a party man, always regular, believing sincerely in the necessity of efficient party action under our system of government, thinking reverently—the word is used advisedly—of politics as a career, and of office-holding as a sacred function in a democracy. But he will wear no halters. He will not be bossed by any magnate of Big Business nor by any leader of union lobor.

He will not be ruled by Wall Street nor by Main Street. He will listen—he is one of the ablest listeners in the country. He will say more than heretofore he has been accustomed to say, not because he will more enjoy talking, but because he must in the nature of the situation allow his tongue a little more liberty. But what he says will be well considered. There will be no highfalutin'. He will mean what he says, and on all important issues his thinking and speaking will be exact.

No Snap Judgments—No Favorites

We have seen the original notes of a few of his addresses, written in pencil with some corrections and interlineations, written slowly we are informed, a sentence at a time with an interval of meditation between. He has been known to sit quietly for an hour and then write a complete statement with no halt or erasure. He will play no favorites. He is not an easy man to put anything over on. He has capacity for wrath, cold though he seems. That capacity broke loose in the Massachusetts State House only when he found himself deceived or betrayed. Those occasions were few—so keen are his perceptions and so painstaking is he to be sure of his facts. But those few occasions counted. Nobody forgot them.

In early years of his career Calvin Coolidge had to make his own way. He earned the confidence of the party leaders in his city, then in the legislature. But not until he was elected president of the Massachusetts Senate did Winthrop Murray Crane come to know him. That astute, taciturn master of political finesse did not "discover" Mr. Coolidge until "Cal" had revealed himself as distinctly worth-while. When he became governor, Mr. Crane was his close adviser and devoted friend and regarded him almost with filial affection. If "Cal" went beyond the reach of a telephone amidst the mountains of Vermont for a couple of days, it was understood that in case of emergency his personal representative at the state house would consult Mr. Crane.

Words Are Weighty

When elected president of the Massachusetts Senate, on Jan. 7, 1914, he revealed his ability to make a great speech. He would hardly do for a Coliseum; his voice and style do not equip him to deal in fustian and bombast if he had any liking for the arts of the demagogue. But in a smaller room, before men who recognize an idea when it offers, even with his nasal voice and his unemotional manner, he is very effective. So on that memorable day when he spoke the brief address that set all Massachusetts to talking.

In that address are found the now famous watchwords: "Have faith in Massachussets," "Do the day's work," "Recognize the immortal worth and dignity of man." And then the next year, when re-elected to that post, instead of making another address of the same type, "Cal" did what not one other man in ten thousand would have done; he packed his acceptance speech into precisely 42 words—and every word weighed a pound!

Police Strike Fame

Next, Calvin Coolidge in one great stride reached a summit that made him a national figure. The Boston police strike was a calamity and a blunder. And just at the time when the whole nation was watching the Hub, trying to understand the new and sinister portent that had appeared in the government of American cities, reading with avidity the reports of looting and destruction of property in the heart of an historic city which always had stood for law and order, while the striking policemen in their hall were singing "Hail, hail, the gang's all here"—after that carnival of crime had continued many hours, Governor Coolidge sent his famous telegram to Gompers, and instantly the nation recognized the touch of the master in the epigrams of that never-to-be-forgotten message. As a chemist precipitates his solution by a stroke, so the governor crystallized the chaos of the situation by a sentence: "There is no right to strike against the public safety by anybody, anywhere, any time." In a popular play of a few years ago, "If I Were King," the unknown plebeian amazes the court by a masterly analysis of the existing military needs of the imperiled kingdom. In wonder the king and the courtiers hear him: "What does this mean?" cries the king. And the heroine replies: "It means, sire, that a man has come to court." That telegram had precisely the same effect on the nation. It made Calvin Coolidge the nominee of his party for vice president by the spontaneous and irresistible demand of the delegates.

Not a Jumper After Crises

All the way Calvin Coolidge acted in his characteristic manner. He does not go over the heads of subordinates. He does not act in any matter until it comes before him in the regular legal way. He does not jump into a crisis until obviously the men legally in charge of the forces of law and order are unable to control conditions. Had he done so in the police strike he would have been denounced from one end of the state to the other. But long before the strike the governor told the police commissioner he would back him absolutely in his enforcement of the regulations of the service and the laws of the Commonwealth. He brought troops into the city, nominally for drill, and quartered them at the South Armory and the Cadet Armory; there they were held for the call of the proper officer. The officials immediately in charge could get the governor, the attorney-general, the governor's secretary, in five minutes by telephone. Gompers wired first to the police commissioner, then to the mayor of the city, finally to the governor; the governor alone replied, and his reply is the celbrated message which made Calvin Coolidge a national hero. If he were called upon to deal with a like emergency to-day, he would follow the same policy and he would feel himself to be doing thus the only thing he had any legal or ethical right to do.

He is bigger to-day then he was when he went to Washington. Not only bigger officially but bigger in character due to the reaction of the office on the man. He has more liberty to-day than ever before. He is undisputed leader now.

"Duty" His Big Word

But essentially he will abide the same "Cal." He will prefer work to golf. He may ride some. He may comply with the reasonable requirements of his office as to social appearances. But he never will be garrulous or frivolous. "Duty" will always be his big word, and it will mean as much to him as though he did not pronounce it with a Yankee twang. He has an enormous job before him, and if he is to be nominated for the Presidency by the coming convention he has only a few months in which to make good so decisively as to become the correct choice. But his very defects are assets. The fact that he is "different" really helps him. There is good reason to feel that he will be "the man" in 1924.

What Is "Full Social Value?"

Editorial from the Boston News Bureau

Why did the United Mine Workers insert a socialistic expression in their constitution ten years ago? Why did they substitute "full social value" for "equitable share" in affirming the purposes of their formidable organization? We have searched for an answer and here is what we have found:

The change was made at the annual convention in Indianapolis early in 1912. The preamble to the old constitution read thus: "There is no truth more obvious than that without coal there could not have been such marvelous social and industrial progress as marks present-day civilization. Believing that those whose lot it is to toil within the earth's recesses, surrounded by peculiar dangers and deprived of sunlight and pure air, producing the commodity which makes possible the world's progress, are entitled to protection and *an equitable share of the fruits of their labor*, we have formed the United Mine Workers' of America for the purpose of establishing by lawful means the principles embraced in the body of this constitution."

For the words here italicized there were substituted these words: "* * * and the full social value of their product." No other change was made. Why was this substitution ordered?

We turn to the first volume of the "Proceedings" of the 1912 convention, and learn that the delegate who moved the substitution declared on the floor: "I would not be willing to concede that any parasite has any right to any share of our product. The working class is entitled to the full social value of its product." And that another delegate said: "The full value of our toil would mean that the man who employs us will receive no compensation for the money he has invested." And a third delegate said: "It is a question as to whether we are going to declare we are entitled to the full social value of what our labor creates or whether we shall continue to say we should receive 'an equitable share' which can be construed in a dozen different ways. The amendment is in harmony with the ideas of a great majority of the delegates. I am entitled to all my labor creates; you are entitled to all your labor creates; and if that philosophy is right, then why have any hesitancy in inserting that in our preamble?" And the amendment was adopted, and the preamble as changed stands to-day.

Further, in answer to the question as to the reasons for the change, we examine the ponderous volume containing the verbatim report of the hearings in the summer of 1913 before a committee of the United States Senate on conditions in the Paint Creek District, West Virginia. We find there the testimony of Bishop P. J. Donohue, who had been a member of a state committee for the investigation of mining conditions, and who helped to prepare an elaborate report containing the results of a survey requiring three months of time and much personal travel and research. To the Senate committee the Bishop said:

"Vice President Griffiths of the U. M. W. told me the order intended to increase their demands until at last they got possession of the mines." In answer to a question by Senator Kenyon, the Bishop replied: "They wanted first to unionize the mines and then increase their demands for their labor and keep on in a progressive increase until at last it would not be worth while for anyone to own the mines and then to take possession of them themselves. I said to Griffiths, 'Are you a Socialist?' He said he was. I said: 'What proportion of men upon Paint and Cabin Creek are Socialists?' He said: 'Nine-tenths of them, and the other one-tenth should virtually be candidates for a lunatic asylum, for they do not know anything at all'."

Query—Are Socialism and U. M. W.-ism one and the same thing?

Ontario's Rural Credit System Facing Change

Ontario's system of rural credits may be changed somewhat by the Ferguson Government. Talk so far tends to indicate an extension rather than a curtailment. The latest proposal is to continue the system in such a way as to aid young agriculturalists to acquire their own farms. It is being pointed out, however, that this class usually provides the least security.

PERSONALS

A. J. MARLOW, of Duncan, Vancouver Island, is now New Westminster manager of the Canadian Bank of Commerce in place of C. W. Hallamore, who is going to England, to spend the winter, afterward returning to New Westminster to take up his permanent residence here. Before going to Duncan eight years ago, Mr. Marlow was with the Bank of Commerce at Salmon Arm, Penticton, Nelson and Kamloops and other places in the interior. At Kamloops Mr. Marlow was accountant for Mr. Hallamore when the latter was manager of the Kamloops branch of the Canadian Bank of Commerce. Mr. Marlow, before coming from England 18 wears ago, spent ten years in Lloyds bank in London.

H. D. BURNS, who has been manager of the Toronto branch of the Bank of Nova Scotia for some years has been promoted to be an assistant general manager. Another appointment made known was that of E. Crockett, one of the superintendents who was made chief superintendent of branches. Mr. Burns has for the past seven years been manager of the Toronto branch, prior to that superintendent of the western branches, and was also before that manager of the branch at Vancouver. Mr. Burns has been connected with the Bank of Nova Scotia for about 27 years, while Mr. Crockett's service with the institution has only been a few years less.

W. A. COPELAND, of Collingwood, is dead after 41 years' residence here. As a banker he held the full confidence of the public, his business procedure always being such as to merit the highest approval, says Collingwood Bulletin. His sound judgment and his sizing up of a situation or an individual was always based only on the facts as he saw them, prejudice never being permitted to deflect him from the course that he determined as in the interest of all concerned. But he was more than manager of his bank. He gave a worthy public service in various activities. The Board of Trade, the educational affairs, the Hospital and the Y. M. C. A. gave him the desired opportunity to lend a part toward advancing the general welfare.

DOUGLAS CAMPBELL, recently appointed general manager of Maple Leaf Milling, has had long experience in the milling business. He started in his father's business, the Campbell Flour Mills Company, in 1901, and upon the death of his father, the late Senator Archibald Campbell, in 1913, he became president and general manager. The company was one of the most successful in Canada, enjoying a large measure of prosperity. In 1919 The Campbell Flour Mills Company were purchased by the Maple Leaf Milling Company and Mr. Campbell remained for a time as director of the latter company. In assuming the position of general manager of the Maple Leaf Milling Company, Mr. Campbell has under his direction the largest milling capacity in Canada. It is well know that Canadian mills have passed through a couple of lean years. A huge export business has been done in Canadian flour, it is true—larger than ever before—but a world wide condition of freight rate readjustment has militated against the Canadian interests in securing a profit on this enormous trade. It is hoped by those closely in touch with the milling situation that a change for the better will soon take place. Mr. Campbell will take a seat on the board of the Maple Leaf Milling Company in the capacity of managing director. James Stewart of Winnipeg is president and C. W. Band, New York, vice-president.

Province of Alberta

Twenty-year 5% Gold Bonds

Dated July 2nd, 1923 Due July 2nd, 1943

Principal and half-yearly interest (2nd January and 2nd July) payable in gold at The Imperial Bank in Toronto, Montreal or Edmonton, or at Lloyd's Bank, London, England, at the fixed rate of $4.86 2/3 to the £ Sterling, at the holder's option.

Bonds may be registered as to principal.
Denominations: $1,000 and $500.

Price: 97.50 and interest yielding over 5.20%

Telephone or telegraph your orders and bonds will be delivered to your bank, with draft attached, without additional expense to you.

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INVESTORS' INQUIRIES

Questions of general interest submitted by subscribers of The Financial Post will be answered in this column, in which case only initials will be used. Other inquiries will be answered by mail. A three cent stamp should be enclosed to cover a direct reply.

SILVER LEAF

Mining Recorder, B.C.—Could you give me any information about Silver Leaf Mining Co., Ontario? A gentleman in England has asked me about it.

The property is near Crown Reserve and has been idle for years. The last work done on the property was by Crown Reserve in 1919 under lease.

BROMPTON

Enquirer, Toronto—I bought 10 shares of Brompton at 38¼ a week ago. What do you think of it at present market price? Would you advise buying more?

Brompton may be expected to resume its common dividend in the not far distant future. The mills are operating upon an excellent basis and are earning substantial profits. It may be that the directors will put off the declaration of their common dividend until an unimpaired continuance of the present prosperity in the pulp and paper industry is assured.

COBALT CONTACT

A. McI., Western Canada—What has been the fate of Cobalt Contact Silver Mines Co., Ontario? I bought shares many years ago and never heard what became of the concern.

Cobalt Contact Silver Mines Co., of Ontario, has claims near the old Green Meehan Silver Mines, near North Cobalt, and on what seems to be the extreme northern producing area of the Cobalt camp. Nothing has been done on the property for years, although last advices were that the taxes were being paid and the property kept in good standing.

ABITIBI

Reader, England—Would like your opinion of Abitibi. Has it good prospects for a rise or increase of dividend? Would you hold it?

Abitibi is doing very well we understand, and its earnings are such as to justify an increase in the dividend after the company has built up its working capital still further and perhaps redeemed some of its outstanding bond issues on which interest is being paid at a high rate. Those in close touch with the company do not anticipate an early increase in the dividend, but the company's position gives cause for justified optimism.

WHALEN PULP

Subscriber, London—I sold Whalen debentures at 56, a big loss. Would it be safe to buy back again?

We would not advise you to buy back the Whalen debentures which you sold at such a big loss. Whalen has considerably improved its position and has paid off a large amount of its bonds during the past two or three years. At the same time the management of the company has not given the shareholders either of the last two annual statements and is open to criticism on this ground, although an apparently plausible reason has been given. We do not feel that any investor is justified in investing in a company unless he has the most recently available annual reports.

MOLSONS BANK

F. R. P., Montreal—I hold Molsons Bank shares and in view of recent banking developments am wondering if I should not sell my stock. Is the Molsons in sound condition?

If your apprehension regarding the Molsons Bank is based upon the fear that the bank is likely to be merged or to adjust its reserves you can rest assured that at the present time officials of the Molsons Bank feel that no such action will be necessary in the case of their institution. The bank suffered losses as did every other Canadian banking institution, but these losses have been met, we are given to understand, without any reduction in the bank's reserves, which stand at 125% of the paid up capital.

So far as we are aware there is no need for you to dispose of Molsons Bank stock because of any weakness in the bank itself, which is in the hands of capable and well trained bankers. Your action would depend upon your general ideas concerning bank shares; whether in view of the double liability clause and provedly hazardous nature of banking you are ready to continue as a holder of bank stocks.

C. N. R. PERPETUAL STOCK

Reader, Perth.—I would appreciate very much if you would be good enough to give me your opinion of the Canadian Northern Railway 4% first mortgage perpetual consolidated debenture stock and bonds. Does the government regard this as the equivalent of the C. N. R. and are they paying the interest regularly, and will they continue to do so?

The Canadian Northern Railway Co. 4 per cent. perpetual stock bears no definite government guarantee. It was sold largely in London and the market for it in Canada is narrow. It is secured by a first mortgage on the line from Toronto to Ottawa, which is now part of the Canadian National Railways. Although unguaranteed, the interest payments have always been met promptly and there is no reason to believe this will not be continued.

It should be a good investment for a moderate sum. The market is around 68-71.

SINGLE-PREMIUM POLICY

S. T., Alberta.—I would appreciate very much your opinion on the following suggestions: The buying of life insurance paying for same in cash all in one payment. It has been explained by an insurance agent that in this way one can have the interest on the investment paid as dividend at the rate of 5 per cent. per annum. This compares favorably with government bonds, besides one would have protection, the full amount of the policy paid to the family in case of death, or to oneself at maturity. Would you consider the investment both as to principal and interest just as secure as government bonds?

The life insurance companies licensed by the insurance department are safe to do business with. Ordinarily we would not advise a single-premium policy as the insurance protection is only the difference between the premium and the face value of the policy. You could buy government bonds and use the interest to pay premiums on a limited pay life or endowment policy. The amount of dividends under a policy is not guaranteed and could scarcely equal 5 per cent.

CONDITIONS IN CANADA

J. L. S., England—I would consider it a great kindness if you would give me your opinion of present conditions. Is now a good time to buy any stocks or is there by the turn of the year likely to be a reaction in the market? Some think this bull market likely to slump early next year.

At the present time conservative investors are exercising a certain amount of caution in their purchase of stocks. Business conditions have greatly improved in Canada and the outlook is for further improvement. At the same time the state of mind of the public is unsettled and recent events in banking and pessimistic articles in certain newspapers have tended to alter what might have been an optimistic feeling among the people generally.

It is recognized that the pulp and paper industry is one of the industries in Canada that has the brightest outlook at the present time. The outlook at the moment is not so good for the milling and textile industry, although it may be considered as inevitable that the milling industry in particular will show considerable improvement in the course of a few years. Industries such as steel, cement and paint which will depend to some extent upon the revival of building on a large scale in Canada have a fair outlook for the coming few years.

QUEBEC RAILWAY

W. F., Toronto—I am holding $2,000 Quebec Railway income bonds due 1951. If I hold these bonds until maturity will I receive par for them?

The Trust Deed of the Quebec Railway, Light, Heat & Power Company Income Bonds due 1951 provides that these bonds are a first charge upon any land subsidy that should be received from the Government in connection with the construction of the Quebec and Saguenay Railway. In addition they are a charge on the Company's assets after the present bond issues and any future issues that may be created.

In the ordinary course of events one would expect that the holder of these bonds would receive par for them at maturity but if the Company decides not to redeem them at par at that time there would be little chance for the individual holder to take any satisfactory action. In the first place the bond issues that rank in advance of this one might conceivably take all of the Company's assets before these bonds came into ranking. Moreover, it provides in the trust deed that in the case of default two-thirds of the bond holders may decide to waive their ordinary rights of action against the Company. As well over two thirds of these bonds are already owned by the new interest that controls the company the possibilities of a small bond holder taking any serious step would be small.

The best thing for a holder of these bonds to do is to accept the offer of the Company of $27.00 in cash or $30.00 in stock of Quebec Power Company. The bonds have 28 years to run and the interest that would be received on the $27.00 cash in the meantime would amount to considerably more than the par value of these bonds at the end of the period. There seems little possibility of the holders receiving either interest or anything on account of the land subsidy in the meantime. Those in touch with the situation do not expect the land subsidy to materialize.

NATIONS OIL

Banker, Caledonia—Can you please favor us with some information concerning the Nations Oil Refineries, of Montreal, the stock of which concern has been sold by the Red Star Sales Co.? A client has subscribed to $1,000 of this stock having made a payment of $300, and before making further payments has asked us to advise him.

When the Nations Oil Refineries, Ltd., was first organized under another name we did not have a great deal of faith in it because it did not seem to have the backing of the right kind of business men. At the present time, however, there are new interests connected with the company who are endeavoring in a serious way to make a success of this operation. The president is Benjamin Briscoe, of Detroit. A test unit has been established in Montreal to try out the manufacture of gasoline under their special process and is operating at the present time. The company's officials declare that they are thoroughly satisfied with what this test unit has shown and they intend to proceed at once with the construction of a larger refinery.

The company's finances are in a somewhat complicated state and at the present time an issue of bonds is being made and is being sold on a unit system. The investor pays a lump sum for $100 bond and a certain amount of preferred and common stock. The net result is that he is paying 50% of its par value for common stock, although the common stock has a value in the future only. For this reason we consider the investment too speculative for the ordinary individual. You do not state in your letter whether the stock your client purchased was on the unit plan, nor upon what terms it was purchased. The question of price is always important in any stock purchased.

If your client is not in a position to take a chance, it might be well to consider the $300 as lost and not make any further payment. If on the other hand he is ready to make a speculative investment with a fair possibility of returns, the payments may be continued and the stock taken up.

SOUTHERN CANADA POWER

Druggist, Nova Scotia—Do you consider Southern Canada Power preferred a gilt-edge investment? Has the common ever paid a dividend? At what price are the 6 per cent. bonds selling? What are the prospects? How does the preferred compare with Jamaica Public Service first mortgage bonds as an investment? Also with Ottawa and Hull Power Co. preferred stock? How do Jamaica P. S. bonds compare with Camaguey bonds recently issued, as a secure investment with permanent dividends?

We consider Southern Canada Power preferred stock an excellent investment but it is hardly what is commonly known as a gilt-edged investment. The company started to pay dividends on the preferred stock in April, 1919, and has continued regularly since that date. No dividends have been paid on the common stock. The bonds of Southern Canada preferred are selling at from 99 to 100 at the present time. The prospects are that the company will be able to continue the dividend of 6 per cent. on its preferred stock and in a short time reach the position where a dividend on the common can be paid as well.

You ask how Southern Canada preferred stock compares with Jamaica Public Service Corporation first-mortgage bonds, Ottawa & Hull Power Co. preferred stock, and Camaguey Electric bonds. All of these investments have different features that make comparison impossible. The Ottawa & Hull Paper Co. preferred stock issue is being sold with a bonus of common. The Jamaica Public Service Corp. and Camaguey Electric bonds are of utilities located outside Canada.

However, you may compare the earnings behind the issues and consider these in conjunction with what you know of the future prospects of each company in order to form your own conclusion.

Southern Canada Power earnings in 1922 available for preferred stock dividends were $150,000 and based on actual results for the first seven months of the present fiscal year. 1923 earnings are estimated at $240,000. The amount required for the full dividend on the amount of preferred stock now outstanding is $150,000 per annum. The company is enlarging its capacity and estimates earnings for the next four years available for dividends on the stock at $39,000 for 1924, $442,000 for 1925, $629,000 for 1926, and $644,000 for 1927.

Camaguey Electric Co. earnings for the four years from 1919 to 1922 averaged $310,648 per annnum, equivalent to three times the interest charges. As from January 1, 1923, the company took over the electric lighting and power business in the city of Nuevitas and adjoining Port Tarasa and Pastelillo. Net earnings for six months to June 30 were $210,089. The amount required to pay bond interest is $95,500 per annum.

On the new Ottawa & Hull Power Co. issue of preferred stock the dividends of 7 per cent. would require a bonus for $5,000. For 1923, earnings are estimated at $120,000; for 1924, $150,000; for 1925, $175,000, and for 1926, $200,000.

On the Jamaica Public Service Co. issue of first-mortgage bonds, interest requirements are $75,000 per annum and net earnings available for bond interest and depreciation have averaged for the past ten years $142,644 per annum and for 1922 were $181,431.

CANADIAN MARCONI

Reader, Stratford—One of our clients has been requested to invest a small amount in the stock of the Canadian Marconi Co. We should be glad to have your opinion of this security and its desirability for investment purposes.

We do not recommend the stock of Canadian Marconi as an investment or even as a speculation. The Company has been operating for many years and has proven a continuous disappointment to the shareholders. We have just received the following letter from a shareholder of the Company and his views are undoubtedly held by a number of people who have put money into this organization:

"I think according to the best commercial practice that when a concern can no longer continue operations and has failed to meet its obligations to its shareholders that it should wind up its affairs with a view to reorganizing or liquidation of its assets.

"I am a shareholder of a Company of which great things were promised, but notwithstanding the annual optimistic picture that was painted, we are still waiting in the wilderness of hope. As a shareholder of the Marconi Wireless Telegraph Company of Canada, Limited, for over 20 years I have been buoyed up with promises that as a result of negotiations with other companies and agreements with the Government that the long hoped for dividend would be a fact. Unfortunately, the plans have never crystalized that would permit the payment of a dividend.

"The annual meeting this year has not yet taken place. Nevertheless, the annual propaganda has begun if one can judge by the inspired articles that have been published. Evidently the Directors feel that this publicity is necessary to pull the wool over the eyes of the shareholders. What the intention of the Directors are I cannot state but it is time that not only the shareholders but the public of Canada were aroused and strong sentiment created in favor of prompt drastic action being taken. This Company has contracts with the Dominion Government and the shareholders have every right to know how things are progressing. I trust that when the next meeting takes place, those who have any stock in this Company will be present there in full force and not hesitate to frankly and most emphatically express their views.

"As a shareholder I strongly favor the winding up of the company, which has never paid a dividend yet and continues to use the poor shareholders' money, out of which the directors and other officials pay themselves fat fees and salaries.

"Let those who have any interest in this company (other than the directors) be up and doing in order that justice may be done the poor hoodwinked shareholders. It is intended to call a meeting of the shareholders, of which notice will be given."

On the other hand it must be stated in fairness to the present president that plans are maturing that will be of substantial benefit to the Company. An arrangement is being negotiated with the British Government under which the Canadian Marconi Company will be the unit in this country of the Imperial Wireless Chain. The British Marconi Company has taken a very substantial interest in the Canadian company, having purchased the shares formerly held by the Canadian General Electric. Arrangements are also being made whereby the Bell Telephone Company will use Marconi Wireless to enable Canadians to send telephone messages to friends on the ocean or abroad. We are told that Directors are saying very little now because they realize that the shareholders have had nothing but disappointments in the past and they no longer wish to make any promises but are working out plans quietly that will be appreciated by the shareholders when finally ready to be described.

It seems that the situation at the present is such that the present shareholders who have held on for so long should not now sell their securities when there seems to be some opportunity of getting backturn on their investment. On the other hand we would advise against the purchase of new stock by either the former shareholders or any new investors. When the plans have been more definitely worked out and announced to the shareholders it will be plenty of time for investors to consider the placing of money in the Company's shares.

Calls for Square Deal for Mining From Ontario Financial Interests

An interesting inquiry comes from the Beaverton Express. It wonders why mining investments are being avoided by the financial interests of the province. Coming from a rural part of the province, its views are of value as evidence of the confidence that is growing in the mining industry of Northern Ontario.

The paper said:

For some time past we have been watching with interest the attitude taken by leading financial and banking houses towards the great mining industry of this province and we have been surprised at both the antipathy and ignorance displayed by these influential persons. A short time ago a Toronto paper prompted by an inquiry as to investment of $10,000 by a reader invited the opinion of a number of the leading brokers in Toronto as to this investment. Not one suggested that the stock of even the most important producing mines were worthy of consideration, while many of the securities suggested were in our opinion far more speculative in their possibilities and very far short of the productiveness of the mines. What is the reason for this avoidance of a great basic industry by the financial interests of the province? An industry which is showing its earning capacity in hundreds of metallic productions and millions of dollars in dividends to the shareholders in these mines. We hear on all sides of the marvellous undeveloped wealth of Ontario's great Northland but of what use is it to know this wealth if there is no encouragement given to find its whereabouts and develop the finds? True there is a possibility of depletion but in the case of the great producing mines there appears to us to be as good a chance of their profitable permanency as of many of the industrial and other enterprises so energetically recommended by these gentlemen. Give the mining industry a square deal. These same men are not averse to selling its stocks on a good commission. Then why not commend the industry to their clients.

CURRENT OPINIONS

THE NEW ECONOMY

N. Y. Journal of Commerce

Great Britain having contracted to meet her American debt tells France that she must collect from Germany and her former Allies 14,000,000,000 gold marks. France in turn tells Great Britain that having embarked upon an expensive rehabilitation program in the devastated areas and having debts on her own account to meet she must collect something like 40,000,000,000 gold marks from Germany.

This is the new economy. A program of expenditures is first planned and then effort is made to find ways in which to meet it. The only trouble in this particular case is that both Great Britain and France are looking in the same direction for their funds, and from all accounts it seems as though neither would obtain them in the very near future.

What is going to happen in case they do not? Will Great Britain report to the United States that since she and her Allies have been unable to collect what is owed them by Germany she in turn is unable to meet her contract with this country? This would be an improbable procedure, but would not be different from the course of action which France is pursuing. She implies, though she refrains from putting it into words, that until she has collected reparations debt payments will not be forthcoming.

If this course of action should be pursued by our former Ally it would be brought home quite clearly to our leaders in Washington that there is a very intimate connection between reparations and interallied debts in spite of their theorizing to the contrary.

PROVINCIAL BANK

Port Arthur Chronicle

Before acceding to the demands of supporters that the Government institute a Provincial banking business Premier Greenleaf, of Alberta, had the matter investigated by a competent authority. The report of the investigator has just been presented to the government. No encouragement is given to the government to embark upon any banking scheme. The report recapitulates the experience of other provinces and states and goes afield to Australia for material upon which to base a comprehensive conclusion. The nature of the report is such that the government cannot but give it most serious consideration ere coming to a decision unfavorable to the conclusion presented. The West has been productive of many suggestions on the question of banks and banking. Newspapers have discussed the question, farmers organizations have adopted resolutions and labor societies have not been backward in offering suggestions for the organization of banks by provinces. While all this has been going on the chartered banks have been doing a large business with the West and so far as possible taking care of the needs of the country.

Advocates of inflated money have an example in Russia, Germany and Austria that should be sufficient to cure them of their illusion, while the national bank of Australia offers no suggestion where long loans to farmers can be made without excessive securities. It is a relief to find at least one province in the Dominion that wants to know where it will land before entering upon a business foreign to the purpose for which government exists.

Winnipeg is just now furnishing an example of what irresponsible and insecure banking means. Recently two firms who were doing a banking business in that city went into bankruptcy with liabilities approaching a million dollars and practically no assets. The Bank Act is to be revised at the present session of Parliament. One of the provisions should be an absolute prohibition of any person or firm aside from a chartered bank and guarantee company undertaking banking.

Erected on the sound example of Scotch banking and successively adjusted five times to meet needs shown by experience and changing conditions, the present banking system is a valuable asset to this country. It provides almost perfect security for note holders and good security for depositors—they are the only two classes for whose consideration the law is enacted. There may be minor matters which could be provided for either in the banking law or supplimentary to it, such as farmers' loans for a period of from six months to a year, but the main features of sound banking already exist in Canada, and should not be tampered with.

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Canada Steamship Pref. In Arrears 11 Per Cent.

If arrears in dividends, which now amount to over 11% be deducted from the current price of this issue, it will be found that Canada Steamships preferred is selling at almost the equivalent of the low point touched in the 1921 panic, which was 36. If, however, the position of the company then and now is compared, it becomes at once evident that the preferred stock is entitled to sell on a materially higher plane at the present time, say McCuaig Bros. & Co., Montreal, in a letter to their clients. For instance, at the end of 1921 curent liabilities exceeded current assets by over $800,000, whereas on December 31 last bank loans had disappeared and net current assets stood at over $2,000,000. In other words, the present financial situation of the company leaves little to be desired, while two years ago its position was the reverse of satisfactory. In the last seven years net profits averaged over 14% or twice the preferred dividend. In 1922 only about 4½% was earned on the preferred, but this result was almost entirely attributable to the American coal strike, which resulted in a severe loss of traffic for the company, as next to grain, coal is its most important freight item on the Great Lakes. In fact, it is understood, that the loss from this source was roughly equal to the amount of the preferred dividend. Quite apart from this, it is our opinion that last year's statement was prepared in an ultra-conservative manner and that exceedingly liberal allowances were made for contingencies. While this policy at first caused a little disappointment it has undoubtedly raised the company's standing with the public. While no statement of earnings has been made public so far this year, it is understood that Steamships is practically assured of a very prosperous season. In fact, both passenger and bulk freight earnings are stated to be well ahead of 1922, while the probabilities seem to favor a still higher rate of increase for the last half of the season. As of December 31 last net tangible assets after deduction of goodwill were equal to $154 per share on the preferred stock or over three times its present market value. While the management is reticient as to its policy in regard to resumption of preferred dividends, it is reasonable to suppose that if, as now seems probable, this dividend is earned with a good margin to spare this season, no good purpose will be served in delaying action, as the dividend is cumulative.

NEWS AND VIEWS ABOUT BONDS

GERMAN CONCERNS MAKE BOND ISSUES PAYABLE IN COAL

Rye and Wheat Also Favorite Forms of Payment

From Our Own Correspondent.

MONTREAL.—The prophecy, made a couple of years ago in THE FINANCIAL POST, that the German mark would eventually disappear and be replaced by another different currency is rapidly working itself out. In the meantime much trading in Germany is done with commodities as the unit of payment. This is a return to barter. Even public bond issues are made payable in commodities.

The movement for replacing the paper mark by some real unit of value, such as gold, rye, wheat, or coal, is one which is stimulated and given fresh impetus whenever the mark falls rapidly. During the temporary periods of pegging the mark it languishes. It has made, however, very substantial progress on the whole, because the needs of commerce and industry for stability in accounting systems are very pressing.

In a few types of public and private monetary transactions the fluctuations of the paper mark have been wholly or almost wholly avoided by comparatively simple expedients. Prominent examples include collection of import duties, collection of export taxes, railway freight rates, the use of "key numbers" in various industries, the maintenance of gold prices in foreign trade, both import and export, and the policy of price increases in both retail and wholesale transactions to keep pace with the fall in the mark.

Ingenious New Devices

In other fields, such as bond issues, mortgages, and bank accounts, it has seemed impossible to restore any real value to obligations which were incurred before the currency decline set in. New devices have here been introduced to prevent the future wasting away of commercial paper because of monetary disturbances. The most important experiments with this type of security have been made on a commodity basis, rye or coal usually being used. In the very large class of remaining financial transactions, of which payment of wages, insurances, and taxation have been cited as notable examples, little advance has been made.

About a month ago the municipality of Berlin offered two bond issues, one payable in paper marks with interest at from 8 to 18 per cent., and the other payable in rye or its equivalent, with interest at 5 per cent. The paper mark loan has been scarcely touched by the investing public. The rye loan was subscribed more than a hundred times over on the day of issue. This is symptomatic of the attitude of the public toward commodity securities. Commodity bonds have been put upon the market from time to time for more than eight months. The first experiment was made by the provincial government of Oldenburg, which issued last fall a series of bonds for 6,000,000 kilos of rye in certificates of 125 kilos each. No interest was offered, but repayment of each share was to be at the rate of 150 kilos or its equivalent in currency reckoned according to the state of the grain market at that time. So novel a security was taken rather cautiously at first, but the Oldenburg rye bonds are now briskly bid for on both the Berlin and Bremen stock exchanges.

Cannot Extinguish Principal

The evident advantage of this type of bond is that it obviates the possibility of extinguishment of the principal amount through currency depreciation. There is, of course, a rather large speculative element in these securities also, because the price of rye at the time of repayment might be considerably above or below the present market rate. This speculative feature seems, however, to be an enticement rather than a deterrent. The paper mark bonds are now looked upon as sure loss, which they, of course, are, and it is inexplicable that anyone can now be found willing to invest his savings in that way.

There have been many commodity bond issues since the original experiment of the Oldenburg government. The Mecklenburg rye loan, also a pioneer attempt, was subscribed to the amount of 40,000 hundredweight of rye, the single certificates being for 5, 2, 1, and ½ hundredweight. At the time of issuance, the price of rye was 10,000 marks per hundredweight. The bonds are all bearer bonds. Interest at 5 per cent. is payable semiannually, also in rye, or its paper-mark equivalent. In practice, interest payments are made in currency rather than in rye itself, the average market quotations for the previous three months, minus the last two weeks, being taken as the determinant. The entire State property of Mecklenburg is pledged for the loan.

Bonds on Coal Basis

The Badische Elektrizitactsversorgung A.-G. issued its bonds of a coal basis, the separate bonds entitling the bearer to 10,000, 5,000, 2,000, 1,000, and 500 kilos, respectively, of Westphalian nut No. 4 coal, with interest at 5 per cent., computed by taking the average paper mark coal price for the six months preceding the date of payment. The currency sum payable for retiring the bonds is determined in the same way. German coal prices have shown so much more deviation from world market prices than the prices of grains that the choice of coal as a basis for the bonds is perhaps less satisfactory than rye. On the other hand, the coal prices have greater inherent stability. The coal loan of the Mannheim Power Works resembles that of the Badische Elektrizitaetsversorgung A.-G.

The lignite loan of the Free State of Saxony is a curious combination of paper mark and commodity security. Although the certificates read in quantities of lignite, the 5 per cent. interest is payable in paper marks computed on the value in paper marks of the principal on the day of issuance.

August Bond Sales

Canadian bond sales in August amounted to only $1,991,400. For the eight months the sales totalled $227,290,942. Following is the record for August and for the year to date:

Municipal	$ 1,091,400
Provincial	
Corporation	900,000
Total for August	$ 1,991,400

Year to Date

January	$ 37,890,162
February	51,758,746
March	23,609,657
April	18,218,469
May	22,279,363
June	41,216,162
July	30,326,983
August	1,991,400
	$ 227,290,942

THREE RELIGIOUS BONDS ARE OFFERED

Versailles, Vidricaire and Boulais in Market with $170,000 of Institutional Bonds

From Our Own Correspondent.

MONTREAL.—Bond issues of three Roman Catholic bodies have been purchased by Versailles, Vidricaire and Boulais, and are being offered by that firm to investors on a basis of 5.50 per cent.

An issue of $85,000 of 5½ per cent. bonds, maturing serially from 1923 to 1940 is secured by a first mortgage on a school built in Prud'Homme, Saskatchewan, by the Daughters of Providence of St. Louis. The issue of bonds has been authorized by act of the provincial legislature of Saskatchewan. The bonds are endorsed as well by the Brotherhood of Christian Education of La Prairie, P. Q.

Another issue, also of $85,000, consists of first mortgage, 5½% serial bonds, due 1924-1943, of the Refuge of Dom Basco, a boy's training home in the city of Quebec. The bonds are secured by a first mortgage on the properties of the Refuge, which are being enlarged from the proceeds of the issue.

A third issue consists of $8,000 of 5½ per cent. serial bonds, due 1924-1933, of the Missionaries of the Sacred Heart who conduct a mission school at Beauport, near Quebec.

The bonds will be marketed in Quebec province, where this type of security is well known and has wide distribution among investors. In each case the bonds are secured by a first or general mortgage, but it is felt that the strongest security behind the bonds is the moral obligation which has always been completely recognized by religious institutions that have isued similar bonds in the past. Often such bonds are issued by the archbishop or bishop of the diocese and are in his name as a sole corporation. This applies more generally to parish bonds than to bonds of individual bodies of nuns or monks, such as those now being offered.

UNLISTED BONDS

	Bid	Asked
Abitibi Gen. Mt'ge. 6's 1940	95¾	96¾
Algoma Steel 5's, 1962	..	41
Amer. Sales Book 6's 1927	98	..
Ashdown Hard. 5%. 1928 6	93	..
Brompton P. & P. 8%. 1941	110	..
Can. Machinery 6's. 1940 ..	75	..
Canada Salt 7's, 1941	101	..
Davies. Wm. 6's, 1926	..	94
Dom. Iron Steel 5's. 1939 ..	75	78
Dunlop Tire 6's. 1927	98.50	
Dom. Sewer Pipe 6's. 1927	94½	..
Dominion Mfg. 6's. 1933 ..	82	87
Eastern Car 6's. 1952	93½	..
Gord. Iron & Fare 6's 1927	..	40
Harris Abbattoir 6's, 1928	99	..
H. Smith Paper 7%. 1941	101¼	102¼
King Ed. Hotel 7's. 1933 ..	87½	90
K. & S. Tire 7's, 1935	75	80
Lake Superior Pap. 6's 1941	103	Bid
Marcus Loew's 8% Notes	..	94
Mettagami Pulp 6's. 1937	65	..
Mattagami Pulp 7% deb.	33	36
Morrow Screw 6's 1931 ..	84	..
Neilson's Wm. 6's 1933 ..	97	..
Simpson Robt. 5's 1952 ..	85	
Spanish River 8's. 1941 ..	105½	106½
Stan. Clay Prod. 6%, 1942	..	90
Whalen Pulp 7% deb., 1932	..	63

ADVERSE FACTORS FAIL TO AFFECT THE BOND MARKET

Look for Increased Activity; Warn Against Higher Prices

Little change has taken place in the bond situation during the week. Prices have remained unchanged and trading is dull. The past month has seen few new issues offered, but dealers have been clearing up odd blocks of bonds which they have been carrying, in anticipation of securing new issues in the fall.

It is expected that an active market will develop, if prices do not rise above present levels. A large amount of money must be raised and dealers are outspoken in their belief that the Canadian market can supply it, if reasonable rates of interest are offered. In spite of a series of adverse factors—the failure to settle the Huhr situation, the controversy between Italy and Greece, the Japanese disaster, and uncertainty in the bank situation—the markets have held firm, indicating a belief on the part of the public that business is on as sound and conservative basis as at any time since 1920. The large investing institutions will have money to invest and must secure suitable places for it without loss of time. The contraction in building will tend to reduce the supply of mortgages. Moreover, general business conditions would not seem to justify as large a volume of industrial financing, which should react in favor of municipals.

Speculation continues as to the proposed Dominion financing. With London out of the running at present, New York and Canada appear as favorites. Considering the possibilities, one well-known bond man states that if prices are not pushed higher, a very large part of the loan could be floated successfully within the country.

That investors need have no fear of a wide fluctuation in bond prices for some time is indicated in the opinion of a prominent statistician, who says:

"Close observation of the habits of the bond market leads to the conclusion that the movements of bond prices are likely to be of a minor sort for some years, and that profits will have to be made mostly through skillful selection.

"To pave the way for any great bull movement in bonds, the two essentials which must be present according to experience are, a tight money market and mercantile liquidation. With neither of these in sight, one may devote his energy to the matter of selection and regard the trend of bond prices as being unlikely for some time to have much influence upon investment profits."

Buy Peel Bonds

R. A. Daly & Co. were awarded a county of Peel issue of $18,000 5½ per cent. bonds, repayable in ten equal annual instalments, at a price of 100.739. At this price the cost to the county is 5.34 per cent. The bids were:

R. A. Daly & Co.	100.739
Harris, Forbes & Co.	100.631
Bain. Snowball & Co.	100.61
Matthews & Co.	100.53
Municipal Bankers' Corp.	100.51
Dyment, Anderson & Co.	100.41
Gairdner, Clarke & Co.	100.33
W. A. Mackenzie & Co.	100.29
C. H. Burgess & Co.	100.17
McLeod, Young, Weir & Co. ..	100.15
Nesbitt, Thomson & Co.	100.12
Aemilius Jarvis & Co.	99.86
Bird, Harris & Co.	99.56

CAMAGUEY ELECTRIC BONDS YIELD 6.50 P.C.

Secured by Lighting and Power Business in Third City of Cuba

From Our Own Correspondent

MONTREAL.—Offering is now being made publicly of $1,500,000 of bonds of the Camaguey Electric Company. Private offerings of these bonds have been made from time to time during the past six months or so. The bonds, which bear interest at 6½ per cent., mature in 1952 and are secured by a first mortgage on the assets of the Camaguey Electric Company, which operates the electrical and tramway franchises in the city of Camaguey. Cuba. Recently the company acquired the electric light and power business in the city of Nuevitas, and the adjoining ports of Port Tarafa and Pastelillo, and these assets add to the assets behind the issue.

Earnings for the three years ended December 31, 1922, available for bond interest, depreciation, etc., have been as follows: 1920, $315,584; 1921, $379,998, and 1922 $352,200.

The bonds are offered by Royal Securities Corporation at par to yield 6.50 per cent. to the investor.

BOND MOVEMENTS OF THE WEEK

Week Ending Sept. 4

BONDS—	Int. Rate	Due Year	Yield	Range High	1922 Low	Range High	1923 Low	Latest Ask	Price Bid	Week High	End Low
Can. Car	6	1939	6.02	101	95	100½	99	—	99½	99⅞	—
Can. Cement	6	1929	5.71	100¼	94	103	100	—	102	101¼	—
Can. Cottons	5	1940	6.61	88½	82	90	88	88½	—	88½	—
Cons. Rubber	6	1946	6.00	100¾	88	102¼	99	100	—	100	—
Can. Factories	6	1940	6.83	92	92	91¼	91	91¼	—	91¼	—
Dom. Textile .. ..(A)	6	1925	5.75	101	97¼	100⅞	99¾	100½	—	100½	—
Quebec Rly.	5	1939	7.00	87¼	65½	82	68	—	80	81	80⅜
Steel of Can.	6	1940	5.77	100¾	97	102½	99	—	102	102½	—
Sterling Coal	6	1940	7.43	85	78¼	86	85	87	86	86	—
Wabasso	6	1947	6.65	94	89¼	96¾	90¾	92¼	92	92	—
Wayagamack	6	1951	7.69	88¾	71¾	86¾	80	80⅝	80	80¼	80
War Loan	5	1925	4.66	96.30	96.10	100.95	99.10	100.85	100.75	100.60	100.40
Do.	5	1931	4.80	99.60	96.25	103.80	99.80	101.45	101.35	101.30	101.10
Do.	5	1937	4.74	101.50	99.50	103.30	102.00	102.70	102.60	102.45	102.25
Victory Loan	5½	1923	4.88	100.70	98.75	100.95	100.00	100.40	100.30	100.25	100.05
Do.	5½	1924	4.87	100.75	98.00	101.40	100.25	——	100.90	100.95	100.60
Do.	5½	1927	4.73	102.70	99.75	103.50	102.10	103.20	103.10	103.15	102.80
Do.	5½	1933	4.80	104.85	101.25	106.70	104.40	105.85	105.75	106.00	105.80
Do.	5½	1934	5.11	101.35	98.80	103.90	101.30	103.45	103.40	103.55	103.20
Do.	5½	1937	4.75	106.35	103.00	108.45	106.50	107.90	107.80	108.00	107.80
Renewal	5½	1927	5.06	101.10	99.40	102.80	101.00	102.00	101.75	101.90	101.15
Do.	5½	1932	5.14	101.00	99.70	103.00	101.00	102.75	102.65	102.50	102.25

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CIVIC AND PROVINCIAL FINANCE

DEBENTURE HOLDERS TAKE LEGAL ACTION TO PROTECT RIGHTS

Three Saskatchewan Centres Are Years on Default

Debenture holders of several Saskatchewan towns met at the office of Dominion Mortgage and Investment Association to review the position of their holdings and what steps might be taken to protect them. Several municipal centres are in default. Debenture holders of Humbolt, Battleford, and Scott attended the meeting In the case of Battleford, the local government board has said that it cannot make any recommendation, thus leaving debenture holders only one recourse, namely, to take legal action. This, the debenture-holders determined to do.

Debenture-holders have waited a long time for some kind of settlement. The local government board made investigation in 1920, and made their final order only after a long lapse of time. The municipalities themselves have made no effective efforts to meet the situation. Humbolt debenture-holders had been faced with a proposal of the local government board which involved the wiping out of approximately quarter of a million dollars indebtedness. The meeting decided that such a procedure would establish a dangerous precedent. Confidence in municipal debentures of the entire province would be shaken by such a course.

After a prolonged discussion, the meeting decided that it would support the Battleford committee in whatever action it deemed advisable. A resolution embodying this also calls for circularizing all Saskatchewan debenture-holders to enlist their co-operation in protection of their interests in Saskatchewan.

Presumably the procedure will be to secure an execution and employ a sheriff to collect, if need be, by a levy on the people of the municipalities, failing which, seizure of property is the extreme alternative. In the case of school districts, school buildings may be seized on behalf of the debenture-holders.

Business of Mortgage Companies Inspected

The unsettlement in the banking situation has led, no doubt, to sane movement of funds, especially on the part of small depositors. The result is that numerous enquiries are being made as to the security of the trust and loan companies for the investment of funds. For many years these companies have been accepting money from the public, and their record has been an enviable one. At the present time most of them have refrained from any special advertising of their safety. They point out that the losses of some banks and the consequent reduction in reserves is no reason why depositors should rush to withdraw their money and place it with them.

At the same time, many of them are allaying any uneasiness among their own depositors and debenture-holders by direct communication. Such a letter from the general manager of the Huron & Erie Mortgage Corporation outlines some of the conditions under which these companies operate. It says in part:

> "Regular inspections of the investments on the corporation's books have been made by government inspectors, whose many duties include a scrutiny of all securities owned. Such inspection and supervision by both Dominion and Ontario Government has been put into force by reason of Acts of Parliament passed at the instigation of The Huron & Erie Mortgage Corporation and other sound mortgage companies."

SOUTHERN CANADA POWER

The following are the gross and net earnings of the Southern Canada Power Co. and its subsidiaries for the month of July, and for the ten months ending July 31, as compared with the same period of last year:

	July 1923	1922	I'crease
Gross earn. ...	$81,146	$68,725	$12,420
Oper. exp. and purch. pwr. .	36,758	32,560	4,198
Net earn.	$44,387	$36,164	$ 8,222
10 Months Ending July 31			
Gross earn.	$ 781,536	$ 699,568	$ 71,968
Oper. exp. & pur. pr.	346,785	309,821	36.964
Net earn. .	$ 434,751	$ 389,746	$ 45,004

Tenders and By-Laws

Sept. 10, Preston.—$51,527, 5½% and 6%, 20-instal. debentures.

Sept. 10, Preston—$51,527, 5½% and 6%, 20-instal. debentures.

Sept. 13, Middlesex County—$38,000, 5½%, 10-ins. debentures. T. E. Robson, County Treasurer, London.

Sept. 10, Preston—$51,527, 5½ and 6%, 20-ins. debentures. Geo. Winster, Town Clerk.

Sept. 14—Chicoutimi Township, Que.—$99,000, 5½%, 20-ins. debentures. Henri Girard, Sec. Treasurer, Chicoutimi.

Sept. 11, Drummondville, Que. — $44,723, 5½%, 20-yr. debentures. W. A. Moisan, Town Clerk.

Sept. 12, Quebec City—$780,000 5%, 15 or 30 yr. or serial 30-yr. bonds. Manager Bank of Montreal, St. Roch Branch, Quebec City.

Regina Statement Shows Surplus for Year 1922

The financial statement of Regina, Sask., for 1922 shows the city's total funded indebtedness as $11,926,156, and the sinking fund accumulations at $2,985,493. The arrears of taxes stand at $500,054.

The expenditure for the year was $1,080,654, including $149,035 as a provision for arrears of taxes. This total was $34,252 less than the estimates made at the beginning of the year. The revenue for the year amounted to $1,175,356, leaving a surplus, after meeting expenditures, of $94,702.

Provinces Find Administration Costs Rising Rapidly Since War

In a series of pamphlets, the Citizens' Research Institute issues a warning against the rapid rise in the cost of government. Dealing with the provincial administration, it points out that the existence of three types of government side by side is inherent in the Federal system, and in order to provide for the differences in the needs of various sections of large countries this is no doubt necessary.

Of the remedies for the present high cost of administration, it says:

> There are two main ways in which the cost of Provincial Government might be lessened or its growth controlled: Reducing the number of provinces by amalgamating contiguous provinces with similar local interests; improving the administration of the existing provinces.
>
> The former we are hardly likely to see in our time although, in some cases, logically desirable. The latter offers hope of immediate and beneficial action.

Considering the figures given, it concludes:

> For the reason that provincial accounting and reporting are not standardized, absolute accuracy is not claimed for the figures given. But they are sufficiently accurate to form a basis for the general conclusion that provincial expenditures are increasing, except in one province, much more rapidly than population. It may be said that the increase in the earlier years, at least, was due to the increased cost of living and the increased prices that governments have to pay for everything they buy. But this is beside the mark, unless it can be shown that citizens, who also suffer from the high cost of living, have larger incomes from which to support the burden of taxation which, directly or indirectly, must fall upon them. If increased costs force individuals to retrench, it should force governments to retrench. During the present period when Canada should be nursing her resources, citizens must help their governments to do without rather than help them to find new ways of spending their money.

A table is given showing the increase per capita in each province in the cost of parliament over a four-year period, and the smaller increase in the revenues during 1919, 1920 and 1921. It reads:

	B.C.	Alta.	Sask.	Man.	Ont.	Que.	N.B.	N.S.	P.E.I.
Expenditures Per Capita									
1921 . . .	38.64	17.93	16.10	15.03	8.99	6.22	9.23	8.68	8.31
1920 . . .	36.96	14.69	14.39	13.76	8.08	5.76	7.69	7.32	7.57
1919 . . .	25.73	12.36	10.82	10.11	6.97	5.94	6.76	6.26	7.15
1918 . . .	23.07	11.48	10.05	8.60	5.73	5.50	6.66	5.26	5.38
Increase %	67.5	56.2	60.2	74.8	56.9	13.1	38.6	65.0	54.5
Revenue Per Capita									
1921 . . .	31.61	14.41	13.22	14.06	8.38	*6.74	7.92	7.65	8.64
1920 . . .	28.57	15.49	14.27	12.94	7.58	*6.16	7.94	7.13	8,36
1919 . . .	25.97	12.55	12.38	10.82	6.33	*5.43	5.87	6.32	5.49
Population	524,582	588,454	757,510	610,118	2,933,622	2,361,199	387,876	523,837	88,615

* Revenue from sales of liquor not included.

Where the financial year of the province is not synonymous with the calendar year, that covering the largest period within the calendar year is taken.

VICTORIA REPORT SHOWS A DEFICIT

Mayor Warns Against Loose Administration and Heavy Borrowings

In a preface to the annual report of the city of Victoria, B. C., the mayor comments on the discovery during the year that moneys received for paying one set of sinking funds were diverted to the payment of other liabilities. He also warns against the failure to provide for anticipated shortages in the collection of revenue and the taking over of property in lieu of actual money. He advocates that in all annual budgets provision should be made for all deficits of the previous year and a sufficient rate struck to cover all requirements.

Commenting further on the city's finances, he says:

> It seems useless to continue the policy of simply making a levy for the exact amount of the estimated expenditure. The experience of the last eight years shows that such a method is inadequate. It has been proven that only from 70 to 85 per cent. of the levies made have been collected and, therefore, it becomes imperative to place a contingency item in each annual budget to cover the anticipated shortage. The controllable expenditure forms such a small portion of the total estimates, and is, therefore handicapped to a far greater extent than is apparent from a superficial examination.
>
> It is well to call attention to the fact that the financial difficulties of Victoria are due solely to the borrowing system, under which large undertakings have been carried out. Many of the public works instituted have been far in advance of immediate necessities or just requirements, and, while eminently useful, have proved exceedingly burdensome by reason of the vast liability incurred.
>
> During the present year no further Capital Commitments have been entered into except the $110,000 for the further financing of the Johnson Street Bridge. This issue was sold at a premium of .85. It has also been found necessary to issue One Million Dollars of securities for the refunding of deficits found in Local Improvement Loans previously referred to. This process will have to continue for the years 1923 and 1924, until approximately $3,500,000 have been provided for. During the year the bonded indebtedness of the City has been decreased from $17,855,682.03 to $17,435,872.71, showing a betterment of the sum of $419,809.32.

The year 1922 was marked by a tax levy on one-third of the value of improvements, not formerly imposed since 1911. During the year an investigation of the tax system was made by Dr. Shortt, of Ottawa. The report of this attributed most of Victoria's financial difficulties to the single tax system in vogue. The mayor denounces the report as failing to point out the true causes. He says:

> "From beginning to end of this report he does not warn the citizens against the pernicious system of borrowing for non-productive improvements, nor does he endeavor to provide for a reasonable check upon the speculative fever that arises in all municipalities during prosperous times."

The total revenue for the year was $1,891,245, as compared with an estimate of $2,003,557. The expenditure totalled $2,176,181, an increase of $172,624 over the amount estimated. The result of the year's operations is, therefore, a deficit of $284,936.

During the year the sinking funds held by the city increased from $1,404,986 to $1,588,924.

HOME BANK WOULD HAVE QUIT SOONER UNDER 1923 LAWS

(Continued from Page 1)

cluded for the bank's assets, and it is probable that the fact that the new Bank Act being in force and making it impossible for the bank to include this and similar loans as assets had a great deal to do with the bank finally giving up the struggle.

On Government Inspection

A number of newspaper editors and business men commenting publicly on the recent events have stated that more than ever is the need for government inspection of banks evident. This question was pretty thoroughly thrashed out before the banking committee and it seemed to be a widely held opinion that government inspection is unsound, because it is impossible for any government inspector to analyze the position of thousands of individual loans scattered all over the country and that no accurate inspection of the bank's position can be effected without such close study of individual accounts. Moreover, the government wishes to dodge assumption of responsibility of such vast proportions. Even now uninformed politicians are demanding that the government pay the depositors of the Home Bank, and most assuredly if there were government inspection such a demand would be presented still more strongly.

At the same time it is a question if some further measure of protection would not be given if there were a superintending official appointed by the Minister of Finance to check bank returns as they come in and see that they reflect the true position of the bank rather than the book position. This, of course, may be regarded as a modified form of inspection, and there would be considerable difficulties in working it out. One high banking official stated to THE FINANCIAL POST that he felt the Minister of Finance would be justified in taking upon himself the responsibility of looking over the monthly returns of the banks as they come in, judging, wherever possible, if the return seems to fairly present the condition of the bank, and asking further information to supplement the return where such is deemed advisable.

Faith Lost in Returns

Whatever the remedy there is no doubt that the public has lost faith entirely in the bank returns. It does not consider that they are of any value whatever in showing up the true position of a bank. And this faith which has been lost certainly cannot be recovered without radical measures of protection from the government. The most feasible suggestion along this line yet presented is that for closer study of the returns by a government official.

The present attitude of bankers to the bank returns is encouraging. The general manager of one of the largest Canadian banks stated to THE FINANCIAL POST: "It is with the feeling of nervousness that I put my signature to our monthly statement. Other bank men feel the same way. You may rest assured that the officials who sign the returns are more careful now than ever before and only sign when they are confident the statement is correct."

WEEKLY RECORD OF GOVERNMENT AND MUNICIPAL BOND SALES

Date—	Place—	Sold To—	Rate	Term	Amount	Price	Basis
Sept. 1	County of Peel	R. A. Daly & Co., Toronto	5½%	10-ins.	$18,000	100.739	5.34
		CORPORATION					
Sept. 5	Camaguey Electric Co.	Royal Securities Corp., Montreal	6½%	30-yr.	$1,500,000		

Haileybury Requires Payment of Taxes Oct. 1

The town of Haileybury has adopted a new basis for the payment of taxes, by which the 1923 taxes become due in one instalment on Oct. 1, instead of partial payments at different periods. No discounts will be allowed off the original amounts, but a penalty of five per cent. will be added to all unpaid taxes on November 1.

The collector will receive one-half of one per cent. on the first $30,000 collected, 1 per cent. on collections from $30,000 to $45,000, and 2 per cent. on the amount collected above $45,000.

Civic Commissioner Pays Higher Rate for Power

The Toronto Hydro-Electric Commission's annual report discloses the fact that the cost of the power taken from the Provincial Hydro Commission during the year was $23.84 per horse power, as compared with $22 the previous year. Some users are wondering why this increase in the cost was necessary.

In spite of this, by careful management the operating cost was reduced from 30.4 per cent. to 27.2 per cent. of the gross revenue. The gross receipts are given as $4,404,753.75. The cost of power, expenses of operation and maintenance amounted to $3,053,110.09, leaving a surplus of $1,351,643.64 on operating account. Of this gross amount $1,119,602.26 was absorbed in payment of interest, depreciation, exchange, taxes and sinking fund charges.

By-law Behind Sault Bonds Is Ultra Vires

It has been found that the issue of $49,000 Sault Ste. Marie 5½ per cent. 30-instalment bonds which were offered for sale by tender some time ago are not backed by a valid by-law. Wood, Gundy & Co. were the highest tenderers for the bonds, but a legal firm discovered that the terms of the Municipal Act allow bonds for not more than 20 years to be issued for the erection of fire halls. The by-law in particular was passed on June 25 by the ratepayers by a vote of 745 for and 270 against.

It is to check up on legal details such as this that bond houses require legal opinions on bonds before they are distributed to the public. Mistakes are made occasionally and this system protects the investor by guarding against oversights which might otherwise cause him great inconvenience and difficulty.

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Insurance Legal Dispute Begun in United States

One of the largest insurance actions on record was begun on Aug. 28 when the Integrity Mutual Casualty Company, of Chicago, filed a suit in the Federal Court against the Casualty Information Clearing House, Inc., Chicago, twenty-two insurance companies and thirty-five officers for damages of $5,000,000. It is charged that the clearing house is used as a subterfuge to attack all mutual insurance companies and, by sending literature through the mails, has prejudiced people against companies operated on a mutual basis.

Among the defendent companies who are members of the Clearing House are: London Guaranty & Accident Company, Chicago; Globe Indemnity Company, Newark, N. J.; Maryland Casualty Company, Baltimore; Ocean Accident & Guaranty Corporation, New York; Royal Indemnity Company, New York; Commercial Casualty Company, Newark, N. J.; Aetna Life Insurance Company and Aetna Casualty & Surety Company, Hartford, Conn.; General Casualty & Surety Company, Detroit; Norwich Union Indemnity Company, New York. some of which operate in Canada.

SUN LIFE PICNIC

Between four and five hundred members of the head office staff of the Sun Life at Montreal spent a day last week visiting the country place of T. B. Macaulay, the president, at Hudson Heights.

INSURANCE FOR BUYER AND SELLER

GROUP INSURANCE GREATLY FAVORED AMONG EMPLOYERS

Experiment by Insuring the Entire Town Under Group Plan

A whole town insured is the novel experiment started some years ago in the United States by a large life insurance company, and now being watched by insurance men. The plan covers the entire population of the town, including civic officials and private residents. The benefits under it are not only death payments, but nursing and medical aid, to cut down the death rate, if possible. The whole scheme is based on the group insurance plan, which has had such a rapid growth in Canada and the United States. and which, its sponsors claim, is playing a great part in smoothing out the industrial relation of the countries where it is used.

The Plan Explained

There are a number of basic principles on which group insurance rests. The first is that the introduction of the plan rests with the employer. He must be thoroughly convinced—as many hundreds of them are—that the plan will relieve many employees of burdens which tend to reduce their efficiency; that it will increase the good will and contentment of his industrial family. The employer pays the annual premium on the insurance, which is placed on the lives of all employees. As a rule, no group of less than 50 is accepted. The rates are based on the nature of the work done by the group as a whole. In general there are three classes. The employees of a bank, for instance, would rank as class A, with a low premium; railway employees are in a hazardous class, and are subject to a higher premium. Those insured are not required to undergo a medical examination as in ordinary life insurance. In most cases no age limit at entry is imposed, but in some others a limit is set. The insurance is on what is known as the annual renewable term plan, the premiums charged being merely sufficient to pay the cost of protection. No cash surrender or loan values are built up.

Employee May Continue

If the employee leaves the company, he may take up the insurance himself within thirty days. In such a case he begins paying the premium instead of the employer, and he has the right to convert the insurance into any of the regular life or endowment forms by applying to the insurance company, and paying the higher premiums. Should the employer company cease business, the employee naturally leaves its service and the options mentioned above automatically follow.

In outlining the plan, Mr. J. Graham, vice-president of the Equitable Life Assurance Society, says:

"What group insurance does roughly is to insure the employee for an amount equivalent to one year's wages, where the pay does not exceed a reasonable limit — $3,000 to $5,000. The average operation is to extend the wage envelope for one year after the death of the worker.

"While this is not sufficient protection for a family and is not meant to be a full substitution for other forms of life insurance, it is of great service to the employer, to the worker, to dependents and to society for the wage to be extended a year rather than have the dependents face immediate financial want. The record of beneficiaries by classes indicates that payment goes to wife, parent or child."

Started in 1912

The group plan was first started by the Equitable Life Assurance Society in 1912. At a recent meeting of business executives in Philadelphia it was declared to be one of the most widely used means of carrying on corporation welfare work to-day. In the United States, approximately $2,000,000,000 in group life insurance, covering between 1,500,000 and 2,000,000 workers, is now being carried by upward of 10,000 employers, including many of the largest industrial corporations in the country, according to figures compiled by the leading life insurance companies. In Canada at the end of 1921 there were 398 group plans in force with a total protection of $76,647,519. Of this only one for $306,000 was on an endowment basis, the balance being on term and life plans. Of this total 66 plans for $10,833,657 were started within the year. During the influenza epidemic 90 claims were paid to the employees of one large company in Canada.

Prominent Companies Interested

Leading in the amount of group insurance carried is the Union Pacific railway system, in the United States, with an aggregate of $70,000,000 in policies for employees of the Union Pacific Railroad Company, the Oregon Short Line, the Oregon-Washington Railway & Navigation Company and the Los Angeles & Salt Lake Railroad Company.

Other large industrial corporations which carry insurance for their workers are: American Woollen Co., E. I. du Pont de Nemours & Co., Montgomery Ward & Co., the Pantasote Leather Company, the American Rolling Mill Company, the General Electric Co., the Canada Steamships Co.. De Laval Separator Co., McGregor Furniture Co., and the Bank of Hamilton.

In speaking of the Equitable Life's experience in group insurance, vice president Graham says:

"Experience in paying claims establishes the fact that nearly half of the men and women who work for wages are not insured. The average insurance of the other half which does carry protection is approximately $2,000.

"Discounting group insurance as a purely philanthropic aim, the plan must find its ultimate justification in producing improved relationships between employer and employee that will make for increased results ample to justify the premium costs.

"If the plan rested alone on humanitarian or philanthropic principles it would have the inherent weakness that comes from the injection of such considerations in business transactions."

Life Companies Expect Few Claims in Japan

Some comment has been occasioned as to the possible effect of the earthquake disaster in Japan on the business of the two Canadian life insurance companies which operate there—the Sun Life and the Manufacturers' Life. No news of the fate of these companies' managers or their policyholders in that region is yet available. While it is likely that some claims will arise as a result of the disaster, the disturbance to these companies will be small.

The reports indicate that the zone affected is the central coastal section, inhabited by several millions of people. These companies operate over the whole country. Awful as the disaster is, it is expected that only a comparatively small number of their policyholders will die as a result of it. Another factor is that the working people are not insured, as a rule, by these companies. Most of those insured by them belong to the business and professional classes. As this is the holiday season, many were no doubt away in the mountains.

New Insurance Licenses Issued by Department

The following insurance licenses have been issued by the Superintendent of Insurance at Ottawa:

The Prudential Assurance Company, Limited, authorizing it to transact in Canada the business of Fire Insurance; the Zurich General Accident and Liability Insurance Company, Limited, allowing it to transact Accident Insurance, Automobile Insurance, Burglary Insurance, Plate Glass Insurance and Steam Boiler Insurance.

A. K. Thom, Montreal, has been appointed Chief Agent in Canada, of the former company, and Hedley C. Wright, Toronto, of the latter.

LIFE INSURANCE HAS MUCH ROOM TO GROW

Only $1,600 Carried on Average Head of a Family in Canada

From Our Own Correspondent

MONTREAL. — In estimating the possibilities for life insurance, T. B. Macaulay, president of the Sun Life, told the Life Underwriters' convention that 370,000 married men and widowers die each year in the United States and Canada, more than 1,000 a day. Of these, about 400 do not leave sufficient savings to protect their families nor are the children old enough to earn incomes. Four hundred homes a day are broken up because there is not enough life insurance or other competence, said Mr. Macaulay.

Mr. Macaulay estimated that in Canada there is an average of $1,600 of insurance carried by the head of each family. At 6 per cent. per annum this amount would provide an income of $96 a year. This would be an utterly inadequate amount to take the place of the head of the family in providing for its support. The inadequacy of the amount is the more clearly marked when it is considered that it is very unevenly distributed.

The life insurance in force in Canada at the close of last year, said Mr. Macaulay, was $3,173,000,000, which meant that during the next 40 or 50 years over three billions of dollars would be distributed to policyholders or their heirs to alleviate distress. This was true, because for every policy that lapsed one or more was taken out. This was a great thing for Canada and bore out his contention that life insurance was simply philanthropy put on a business basis, carrying such general blessings that, compared with it, charity seemed insignificant.

Officers for the ensuing year were elected as follows:

Honorary president, A. E. Lawson, Winnipeg; president, Edward Morwick, Hamilton; vice-presidents: Alberta, George W. Clark, Calgary; British Columbia, J. W. Hudson, Victoria; Saskatchewan, R. M. Curry, Saskatoon; Manitoba, A. L. Petty, Winnipeg; Ontario, L. M. Bidwell, London; Quebec, A. G. Daveluy, Montreal; New Brunswick, John MacKinnon, St. John; Nova Scotia, O. P. Goucher, Middletown; Prince Edward Island, W. G. Hogg, Charlottetown; honorary secretary: Wlliam May, jr., Toronto.

Determining Just How Much Life Insurance You Require

From Our Own Correspondent.

MONTREAL.—One of the most interesting and helpful features presented to the life insurance men at the underwriters' convention last week was a suggestion from Franklin W. Ganse, a Boston, Mass., insurance man, for making insurance cover all needs—forging a chain of policies to provide scientific protection.

For some purposes life insurance is absolutely necessary. For other purposes, such as providing comforts for a widow or a college education for a child, insurance is desirable. For still other purposes, such as inheritance taxes and business insurance, life insurance is required by only a limited number of people. Thus a careful survey of all the purposes for which life insurance is required should be taken by every person. Assets accumulated in other forms should also be taken into consideration and worked into a plan where they do the most good.

Mr. Ganse outlined a form of analysis that any person can apply to his own affairs to judge exactly how much life insurance he requires. The ten links in this chain are shown below with spaces for working out the figures:

THE TEN LINKS

	Amount	Already	Covered	Balance
	Needed	By Assets	By Ins.	Needed
SQUARING UP with the world by paying debts, taxes, expenses of last illness, etc., and leaving sufficient ready money to take care of the family for a few months during the readjustment period.	$.......	$.........	$.......	$.......
BRIDGING the period from the death of the father to the time when the youngest child shall have graduated from high school; that is, putting the next generation on its feet to the extent at least of a high school education.	$.......	$.........	$.......	$.......
KEEPING A ROOF over the family's head either by paying off the mortgage on the present home, if any, or providing for rent of a modest apartment, or a lump sum to buy a home in the country or in some small town.	$.......	$.........	$.......	$.......
MONTHLY INCOME for the wife for her entire life to cover bare necessities of life. Whether life insurance should cover comforts and luxuries may be a question, but that it should absolutely cover bare necessities is certain.	$.......	$.........	$.......	$.......
RETIREMENT. The ultimate use of all insurance funds in the old age of the insured for the maintenance of himself and his wife if living. One of the principal dependents to be looked after is yourself when you get too old to work.	$.......	$.........	$.......	$.......
BUSINESS INSURANCE, which may be the most important item in the whole list. This form of protection is necessary if your interest in a firm or corporation might be impaired by your death or that of some business associate.	$.......	$.........	$.......	$.......
COMFORTS. Providing if possible for something more than the bare necessities of life for your wife and daughters—in other words, some of the comforts of life. This link should be added to the chain if you can afford to do it.	$.......	$.........	$.......	$.......
COLLEGE EDUCATION. Have you a son or daughter whom you expect to send to college? A small life insurance contract will make sure of the college education whether you live to look after it or not.	$.......	$.........	$.......	$.......
BEQUESTS. With the expense of administration increased so largely by estate taxes it is becoming increasingly important to leave small bequests direct through life insurance not subject to taxation, debts or delays.	$.......	$.........	$.......	$.......
TAXES. The payment of Inheritance Taxes in a small yearly installment through life insurance rather than in a lump sum which may exhaust the best assets in your estate. This provision should be made in all cases where the estate will be of large or even moderate size.	$.......	$.........	$.......	$.......

FIRE AUTOMOBILE MARINE
British America Assurance Co.
(Incorporated 1833)
British Empire Underwriters Agency
St. Lawrence Underwriters Agency
Western Assurance Company
(Incorporated 1851)
Head Offices: 22 Wellington St., East, Toronto
INLAND TRANSPORTATION
RIOTS and STRIKES EXPLOSION

THE
CANADA NATIONAL FIRE
INSURANCE COMPANY
HEAD OFFICE: WINNIPEG, CANADA
TOTAL ASSETS $2,928,337.62
TORONTO, 24 Adelaide St. W.
W. H. George, Superintendent of Agencies

When selecting a Trust Company as an Executor choose one whose fixed policy is to give
Financial Assistance
to Estates being administered by it
PAID UP CAPITAL AND RESERVE $1,240,000
The Imperial Canadian Trust Co.
Executor, Administrator, Assignee, Trustee, Etc.
Head Office, Winnipeg.
Branches: Saskatoon, Regina, Edmonton, Calgary, Vancouver and Victoria.

INTERNATIONAL TIME STAMPS

The most reliable spring-driven stamp on the market. Sets dates automatically. Prevents mistakes and disputes about time in connection with mail, documents, instructions, accounts, etc.
We also make automatic attendance registers, electric time systems, etc. Write for folder.
International Business Machines Co. Limited,
300 CAMPBELL AVE., TORONTO, ONT.

Satisfactory Service Guaranteed
PRUDENTIAL TRUST COMPANY
LIMITED
Trustees, Executors, Administrators,
Real Estate and Insurance,
Safety Deposit Vaults.
B. HAL. BROWN,
President and General Manager.
HEAD OFFICE
PRUDENTIAL TRUST BLDG.,
Montreal.
Branches throughout Canada and in London, Eng.

THE ROYAL BANK OF SCOTLAND
Incorporated by Royal Charter, 1727
Paid-up Capital .. £2,000,000
Rest and Undivided Profits, Oct., 1922 1,403,735
Deposits, Oct., '22 40,265,016
HEAD OFFICE:
St. Andrew Square, Edinburgh,
General Manager—A. K. WRIGHT, C.B.E., D.L.
Secretary—J. B. ADSHEAD.
LONDON OFFICE:
3 Bishopsgate, E. C. 2.
ALEX. DICK—WM. WHYTE
Joint Managers
GLASGOW OFFICE:
Royal Exchange Square & Buchanan St.
THOMAS LILLIE, Agent.
186 Branches throughout Scotland
Every description of British, Colonial and Foreign Banking Business transacted.
Foreign Exchange. Correspondence Invited.

Northern Assurance Co. Buys London & Scottish

An announcement from London states that the amalgamation of the Northern Assurance Company and the London & Scottish Assurance Corporation, has finally been effected and that from September 1 William Aeneas Mackay, general manager of the London & Scottish, will be general manager of both companies. Each company will maintain its identity and no change in personnel is contemplated.

It is understood that the amalgamation will necessitate no change in the company's agency arrangements in this country.

Oscar Hudson & Company
Trustee Department
Frederick M. Moffat
Manager
Assignments, Liquidations, Collections, etc.
32 Church St. Toronto

Canadian Bank Note Company, Limited
Engravers and Printers
Bank Notes and Cheques
Corporation Bonds
Stock Certificates
Municipal Debentures
and other Monetary Documents
Head Office and Works
224 Wellington Street, OTTAWA
BRANCHES:
Montreal Toronto

USE TIGER LEAK PROOF WOVEN CORD TIRES
Guaranteed for one year. Prices and particulars forwarded to you by request.
Tiger Tire & Rubber Co. Ltd.
42-44 Adelaide St. W., Toronto.

WESTERN BOND ISSUES
We Specialize in Western, Provincial, Municipal and School Bonds
Lougheed & Taylor, Limited
CALGARY, ALTA.

FRED M. FISHER
STOCK BROKER
Member Standard Stock and Mining Exchange
Adelaide 7821
SIX JORDAN STREET, TORONTO

When Remitting
BUY
CANADIAN NATIONAL
EXPRESS
MONEY ORDERS

DIAMONDS
Be sure and see our Stock of Diamonds. We guarantee to save you money.
JACOBS BROS.
15 Toronto Arcade.

THE
ROYAL TRUST Co
EXECUTORS
AND
TRUSTEES

LLOYDS BANK LIMITED
1677
Head Office:
LOMBARD ST., E.C. 3.

CAPITAL:	($5=£1.)
SUBSCRIBED	$359,323,900
PAID UP	$71,864,780
RESERVE FUND	$50,000,000
DEPOSITS, &c.	$1,659,767,335
ADVANCES, &c.	$616,943,395

1,600 Offices in England & Wales.
Colonial & Foreign Department:
20, King William Street, E.C. 4.
The Agency of Foreign & Colonial Banks is undertaken.
Affiliated Banks:
THE NATIONAL BANK OF SCOTLAND LIMITED.
THE LONDON & RIVER PLATE BANK, LIMITED.
Auxiliary:
LLOYDS AND NATIONAL PROVINCIAL FOREIGN BANK LTD.

MANITOBA HALTS ITS EXPERIMENTS ON BRIQUETTES

Manitoba will not continue to share the cost of experiments in the briquette plant at Bienfait, Sask., by which it has been hoped to make a serviceable fuel out of low grade coal, it was announced by Provincial Minister of Public Works.

UNFAIR BUSINESS ETHICS IN HANDLING SAVINGS INSURANCE

Concerns Paying License to Province Register Complaint

ATTACK POSTERS

State That Impression is Given That Province is Behind the Policies Issued

Complaint has been made at the Parliament Buildings, Toronto, that unfair business ethics are employed by the Ontario Savings Bank and the Savings Insurance Agency in the handling of life insurance in connection with the provincial banking system.

Concerns carrying on similar lines of insurance are voicing the protests, claiming that they are forced to pay the provincial insurance licenses and then face this unfair competiton.

The basis of the claim of unfairness is the fact that, while the provincial banks are not in the insurance business at all, acting only as depositors, literature sent out leaves the impression that the policies are carried by the province. In fact, it has been stated that many people are under the impression that their risk is being carried by the province.

The card being used by insurance solicitors certainly leaves the impression that it is the province that is being dealt with. It reads: Province of Ontario, Savings Office, 15 Queen's Park Ave., Toronto. The Government of The Province of Ontario Assured Savings Plan. The address given is that of the Parliament Buildings' annex. In no place is the address of the company handling the insurance given. Another, a poster, contains among other statements, "The Ontario Government Guarantees You $1,000 if . . ." In another poster of the bank it is stated: "Leading life insurance companies in Canada are co-operating with the Province of Ontario Savings Office in this department to carry the insurance risk." And in the same poster, "The Ontario Government is behind you."

In the same poster it is strongly implied that the whole proposition is that of the Ontario Government by the coupon in the corner which, it states, should be sent to the Director of the Province of Ontario Savings Office, 110 University Avenue, marked "Assured Savings Department."

Another small poster used by insurance salesmen in calling meetings at plants, etc., reads: "Assured Savings Plan of the Government of the Province of Ontario Savings Office."

While these pamphlets are being used, the manager of the Provincial Savings Department recently wrote a solicitor as follows:

"The government does not guarantee the insurance. The insurance is carried by the ordinary insurance companies operating and doing business in Canada."

At the same time the application blank which a prospect signs for the bank contains the following clause:

"I understand and agree that the Province of Ontario Savings Office, which is issuing the savings passbook, is in no way responsible except for the custody of my deposits, the payment of interest and obedience to my directions."

The one signed for the Savings Insurance Agency reads:

"I understand and agree that as between the Life insurance company, which is issuing insurance, and the Province of Ontario Savings Office which is issuing the savings passbook, neither one of them is in any way responsible for the carrying out of the terms of the said plan by the other."

The complaint is made that the competition set up as a result of these posters is unfair. Private concerns carrying on the same line find that they cannot keep their men. They go to the opposition because they have the name of the Province of Ontario to conjure with. It gets them immediate attention, better business and more money.

It has been stated that as a result of the recent banking situation there has been an easing up in solicitation. Competitors of the alleged provincial system declare that the competition is just as keen as ever. They can see no let up.

Another Blue Sky Law Comes Into Being

Seemingly the opinion held by the new government of the province of Ontario in regard Blue Sky legislation, that such enactments are fruitless in their effort, is not the general opinion. The state of Pennsylvania has just adopted a Blue Sky measure, fairly drastic in its terms. In brief its terms are:

All dealers, including commission brokers and salesmen, are compelled to register with the state banking department. With application for registration, dealers must file statements of financial condition at close of preceding month, power of attorney appointing secretary of banking agent for service of process, articles of association, copartnership or incorporation, a letter from a bank indicating credits and financial responsibility, five letters of recommendation from responsible men, five-year business record, with names and addreses of all with whom applicant was "associated in business" in that period. There is further required a general plan and character of business of the applicant, specifying nature of property in which it is proposed to deal and method of transacting business, whether by personal solicitation, advertisement, correspondence or otherwise, whether as principal or broker; whether applications have been made to other states for licenses or registration and result, length of time engaged in business, whether applicant has ever been charged with law violation, etc.

Want $9 Alberta Coal Freight Rate Extended

From Our Own Correspondent

EDMONTON.—An extension of the $9 per ton on local coal shipments to the Ontario market has been asked for by the Northern Alberta coal operators. The time limit for this rate expired August 31, and the operators have sent a request to Sir Henry Thornton for a further concession on the Canadian National lines. They have business in sight from Ontario dealers which is dependent, however, upon the freight rate. Under the terms of the special rate granted at the beginning of the season, the rate has been subject to the delivery of empty cars, and the local coal shippers are hoping to have this limitation, which they claim to have found exacting, removed if the desired extension is given.

SERIOUS CONDITION WOULD ARISE IF NO GOLD FOUND

Banker Gave Some Interesting News on Its Importance

What would happen if no more gold could be found?

Recently this question was asked Sir Edmund Walker, of the Bank of Commerce, when he appeared before the Banking and Commerce Committee. He answered.

"If we could not find any more gold there is no doubt about it there would be a shifting of prices, a lowering of prices that would be very serious, and we have seen that. We have seen long periods when the world did not discover much gold and we have seen periods when the world discovered a good deal, and undoubtedly values have changed to some extent because of that fact. It is quite feasible we might have to find another standard; it is not an inconceivable thing at all, but it happens to be the best one, that is all."

By Mr. Irvine: If we should not find any more gold, or if we should find very little more and the volume of the world's trade increases very greatly, it might be possible we would have to abandon the gold basis?—A. Yes; we would have to find another thing that would do the thing that gold does now; we could not do it with nothing.

Q. The ratio of gold to the production and circulation of goods is supposed to be 10 per cent., you said?—A. I said the ratio of gold to the quantity of credit at any one time in the world; that is more than merely the production of goods, because the accumulated debts of the world that are held by private—

Q. Would you say that ratio was at the present time maintained, taking the world at large?—A. I should think not at the present time; I should think the war has seriously disturbed that.

Q. In the first place I understand that the gold is only a 10 per cent. basis at the best, and in the second place that above that 10 per cent. basis it does not now exist; then what basis does exist?—A. I do not know what the proportions are at the present time. No economist as far as I know of has calculated the basis at the present time, but any one can see how the world is struggling at the present time from inability to convert currency into gold.

Q. Have you observed any struggling in Canada of that nature?—A. No; we are not very far from a gold basis. We have struggled to this extent, there have been times in the last two or three years when it has cost 18 per cent. to pay debts in the United States incurred before the war; we have suffered to that extent.

Q. When circumstances really required gold to fulfill its functions as the basis of credit, has it ever been found adequate?—A. I think it has been found adequate over very long stretches of time; interfered with by war, or some great social convulsion that has upset what gold can perform.

WATERWAYS RAILWAY AGAIN TO THE FORE

Alberta Government Questions C.P.R.'s Expenditure of $2,500,000 on Improvements

From Our Own Correspondent

EDMONTON.—Whether $2,500,000 has been well or poorly spent is the question now at issue between the Alberta Government and the Canadian Pacific Railway, and it is more than possible that some form of arbitration through a special tribunal or a judicial hearing may be necessary before it is settled. The trouble has arisen out of the management of the Edmonton, Dunvegan & British Columbia Railway, which the C. P. R. is operating under lease from the government, and for the improvement of which the government made grants a few years ago to the amount indicated.

A survey of the system has recently been made by two experienced railway engineers, who were sent north by the government to investigate conditions along the line, with a view particularly to checking up on the report submitted to the legislature some months ago by John Callaghan, deputy minister of railways. Charges were made in the Callaghan report that the C. P. R. had not expended the government money in the best possible way and had not put the road into as good condition as should have been done. These charges were denied at the time by the C. P. R., but it is understood that on many of the points in question the recent engineers' report bears out the criticisms made by the deputy minister. It is hardly likely that either side in the dispute will let the matter lie where it has thus been brought, and some sort of intervention to secure an amicable settlement will doubtless be sought.

BRITISH OBJECT TO U.S.A. CAPITAL IN PAPER MILLS

More Will Come as Result of Pulpwood Embargo, Says M.P.

RETAIN FOR EMPIRE?

Irishman Thinks Imperial Conference Ought to Discuss American Owned Mills of Canada

The Australians, when fixing their last tariffs, came to the conclusion that America had huge sums of money invested in Canadian industries. Being of that opinion—whether right or wrong—they reduced the paper tariff for British mills and kept Canada on a list practically equal to that of a foreign nation, writes the London (Eng.) correspondent of the Pulp and Paper Magazine of Canada. When interrogated as to why a preference was not given to Canada, an integral part of the Empire, Australians retorted that American money was invested in Canadian industries. Some time ago I wrote exposing the fallacy of the Australians' contention and pointed out to them that more foreigners were engaged in the British paper industry—selling, buying, and making—than was the case in Canada. It is to be hoped the forthcoming Imperial conference will settle things.

Now we have another side to the policy of allowing American money to be sunk in Canada. It comes from the pulp side and the British papers and trade journals have each received a copy of a letter written by Mr. N. Grattan Doyle, M.P.—Irishmen will recognize the name—who is not pleased with the Canadian policy of selling pulpwood to the U.S. It is an interesting document in view of the depleted resources of the U.S. and in parts of Canada. Raitt, noted Indian forestry research, stepped in some weeks ago and practically told buyers of pulpwood that in view of the world's shortage the great resources of India should be considered.

What Ought to be Policy?

That is the question Mr. Grattan Doyle asks. He refers to the sale of pulpwood recently announced in the "Pulp and Paper Magazine" as having taken place in Nova Scotia and the letter shows the feeling that is existing amongst some Parliamentarians and the British public generally. There are arguments for and against the policy. For instance, if I was a Nova Scotia man I would say "well, if Britishers will not invest some of the millions they are hoarding up in London in the land of my country, I must sell to the next best customers—you cannot have it both ways." That is one reply for the British speculator and, no doubt, there are arguments on the other side.

"I feel that you readers will be interested in a piece of news which reaches me from Canada," writes Mr. Doyle. "It seems that an American firm has just purchased, in the province of Nova Scotia, between six and seven thousand acres of virgin forest suitable for the manufacture of paper pulp. This eagerness to acquire this land is manifest in the unusually high price which they have paid for it—from 35 to 40 dollars an acre.

"The incident has, I think, a significance both for Anglo-American relations and for the future of the British Empire. Not long ago the New York Bank of Commerce reported that the present supplies of American pulp would be exhausted within 30 years. America is, therefore, turning to Canada for her supplies and that Dominion is easily first among the the countries which already export to the United States 40 per cent.* of the wood pulp used there. But Canada not only possesses vast areas of timber available for pulp; it is not improbable that there will be added to these resources the straw from her 22,000,000 acres of wheatlands in the Prairie Provinces, which by a new process about to be tested in Kent, (England), may at no distant date be transformed on the spot into thousands of tons of pulp for high grade papers.

"This being so, what ought to be Canada's pulp policy towards the United States? At present she places an embargo upon the export of timber for conversion into pulp in American mills and the natural result has been the setting up of American-owned mills in Canada. It is true both that the proprietors of these mills pay taxes to the Dominion and that thus far they have employed Canadian labor in running them. The question which arises is whether that process of peaceful penetration can go on indefinitely. In other words, is it quite politic that these considerable resources of ours should be owned and controlled by American citizens instead of being retained by Canadians for the Empire! The matter is one which with propriety might well be considered at the forthcoming Imperial Conference."

A Neglected Policy

This letter was written in the British House of Commons and if there are any more sales of pulpwood to America one may assume that pressure amongst the parliamentarians will be brought to bear to stop them directly, or indirectly. Of course American efforts in the past in the direction of re-afforestation are well-known in England. The feeling is that much time was devoted to money-making instead of pursuing a forestry policy equal say to that of Sweden. It is the want of this policy that creates a feeling that Americans should not be allowed to control pulp resources in Nova Scotia, or in any part of Canada.

---

* This is misleading. The United States import an average of less than 20 per cent. of the pulpwood consumed there.

A Sound Investment
Among the thousands of Great-West Life policyholders are a noticeable number of prominent financial executives. These men, knowing the relative value of investments, see in Great-West Life policies all the inducements of sound investment, and something that no other form of investment provides—an assured estate at death.
Would you like to read actual results of Great-West Life policies issued?
The Great-West Life Assurance Company
Dept. "G" Head Office Winnipeg

The Wabasso Cotton Company, Limited
THREE RIVERS, P. Q.
Manufacturers of Fine White Cotton, also Spinners' Fine Counts of Yarns

CANADA PERMANENT
MORTGAGE CORPORATION
QUARTERLY DIVIDEND
NOTICE IS HEREBY GIVEN that a Dividend of THREE PER CENT. for the current quarter, being at the rate of
TWELVE PER CENT. PER ANNUM
on the paid-up Capital Stock of the Corporation, has been declared, and that the same will be payable
MONDAY, THE FIRST DAY OF OCTOBER
next, to Shareholders of record at the close of business on the fifteenth day of September.
By order of the Board.
WALTER F. WATKINS, Secretary.
Toronto, August 22nd, 1923.

INSURANCE
Promptly effected in all its branches
FIRE, AUTOMOBILE, ACCIDENT, LIABILITY, Etc.
Intelligent advisory service
OSLER, HAMMOND & NANTON
WINNIPEG

Canadian Appraisal Co., Limited
Property Values Definitely Established to Meet All Insurance and Accounting Requirements
Toronto 364 University Street New York
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Dominion Textile Company
LIMITED
Manufacturers of
COTTON FABRIC
MONTREAL TORONTO WINNIPEG

5½%
Interest
Return
INVEST YOUR SAVINGS
in a 5½ DEBENTURE of
The Great West Permanent
Loan Company
SECURITY
Paid-up Capital $2,414,663.00
Reserves 1,100,000.00
Assets 6,184,420.00
HEAD OFFICE, WINNIPEG
Branches: Toronto Regina Calgary Edmonton
Vancouver Victoria Edinburgh, Scotland

Canadian Paperboard Company Limited
Largest Manufacturers of Paperboard in Canada.
Mills at Montreal, P.Q., Campbellford, Ont., Frankford, Ont.
HEAD OFFICE: 2 Seigneurs Street MONTREAL

Laurentide Company Limited

Annual Report

For the year ended June 30th, 1923

To the Shareholders:—

The net profits for the year ending June 30th, 1923, were $3,167,998.06, which, after deducting interest and other charges, amounting to $424,998.87, and reserves for taxes, depreciation and depletion amounting to $753,896.05, leaves the sum of $1,989,103.14.

The reserve for Employees' Pension Fund of $508,790.48 has been transferred to the Pension Committee and now stands in the Accounts Payable pending investment.

The Directors have deemed it wise to assist the employees to participate in the Company's operations, and have purchased shares of the Company's stock to the amount of $169,329.37, which amount has been fully subscribed by some 580 employees. This amount is being carried in Accounts Receivable, the stock being held as collateral.

General conditions in the newsprint industry continue to be satisfactory with the outlook for the coming year that demand will be equal to the supply.

For the Directors,
GEORGE CHAHOON, Jr.,
President.

WORKING ACCOUNT

For Twelve Months Ending June 30th, 1923

Profits from Newsprint, Board, Sulphite and Ground Wood		$2,732,455.74
Profits from Miscellaneous		49,435.22
Income from Investments		386,107.10
		$3,167,998.06
Deduct:—		
Interest and other charges	$424,998.87	
Reserve for Taxes, Depreciation and Depletion	753,896.05	1,178,894.92
		$1,989,103.14

PROFIT AND LOSS ACCOUNT

By Profits for year		$1,989,103.14
To Dividends as follows:		
Oct. 2nd, 1922	$432,000.00	
Jan. 2nd, 1923	432,000.00	
Apr. 3rd, 1923	432,000.00	
July 3rd, 1923	432,000.00	1,728,000.00
Carried into Surplus		$261,103.14

BALANCE SHEET AS AT JUNE 30th, 1923

ASSETS

Fixed:—		
Mills, Buildings, Plant, Machinery, Timber Limits and Real Estate	$26,877,344.93	
Less:—		
Reserve for Depreciation and Depletion	2,145,562.43	$24,731,782.50
Current:—		
Investments	$5,028,108.60	
Cash on hand and in Banks	38,048.71	
Accounts Receivable	1,148,456.68	
Logs and Logging Supplies	3,561,373.91	
Mill Supplies	722,367.53	
Merchandise Miscellaneous	117,206.89	10,615,562.32
Insurance Premiums Unexpired		87,398.54
Deferred Charges to Operations		6,183.24
		$35,440,926.60

LIABILITIES

Common Stock:—		
Authorized	$35,000,000.00	
Less Unissued	6,200,000.00	$28,800,000.00
Current:—		
Common Stock Dividend Due July 3rd	$ 432,000.00	
Accrued Wages	129,010.41	
Bank of Montreal	2,507,723.61	
Bills Payable	70,400.00	
Accounts Payable	951,536.42	
Unpaid Dividends	1,815.00	
Reserve for Income Tax	418,559.67	4,511,045.11
Contingent and Misc. Reserves		279,249.39
Surplus June 30th, 1922	$1,489,528.96	
Surplus for year	261,103.14	1,750,632.10
		$35,440,926.60

Indirect Liability for Customers' Paper under Discount, $138,610.31.
Contingent Liability for Guarantee of Bonds of Laurentide Power Co., Ltd., $1,420,000.00.

Approved on behalf of the Board,
CHARLES R. HOSMER,
EDWIN HANSON,
Directors.

AUDITOR'S REPORT

To the Shareholders, Laurentide Company, Limited.

I have examined and audited the books and accounts of your Company for year ending 30th June, 1923, and beg to state that I have obtained all the information and explanations required, and in my opinion the above Balance Sheet is properly drawn up so as to exhibit a true and correct view of the Company's affairs, according to the best of the information and explanations given to me, and as shown by the books of the Company.

The total amount of investments, $5,028,108.60, as shown in Balance Sheet, is less than market value.

The various securities held, and Cash on hand, and various Bank balances have been verified.

Respectfully submitted,
A. W. STEVENSON, C.A., F.C.A., (Can.)
Auditor.

Montreal, August 17th, 1923.

OFFICERS

George Chahoon, Jr.	President
Charles R. Hosmer	Vice-President
Louis Armstrong	Treasurer
William F. Robinson	Secretary
F. E. McNally	Ass't-Secretary

DIRECTORS

George Chahoon, Jr.
Sir Vincent Meredith, Bart.
F. A. Sabbaton.
Geo. H. Montgomery, K.C.
Charles R. Hosmer.
Edwin Hanson.
Commander J. K. L. Ross.
Sir Thomas Skinner, Bart.
Sir Lomer Gouin, K.C.M.G.

War-time Wheat Buying Machinery to Market Grain in United Kingdom

This Is One Proposal for Economic Conference — Cattle Market in England Has Not Favorably Impressed Canadians

From Our Own Correspondent.

OTTAWA.—If reports from London are to be relied on, the coming Imperial Economic Conference will have put before it some proposals of a semi-socialistic character, one of them being for the creation of giant pools for the marketing of the grain of the Dominions in the United Kingdom. From what can be learned the promoters are not sanguine of getting a preferential duty for the wheat of the Dominions, but they seem to have the same impression, as have a number of western farmers, that middlemen are getting a good thing out of selling the crop.

It is proposed to use again some of the wheat-buying machinery set up in Britain during the war, it being thought that in this way the producer can be assured a better price than he receives in open competition. The proposal is not advanced solely for the purpose of benefiting the grain grower in the Dominions, it being assumed that his return will be increased to such an extent that he will be induced to consent to such tariff arrangements as will make it tolerably certain that British manufactured goods will be used in the Dominions in preference to those of other countries.

The officials of the department of agriculture naturally will not express an opinion on this proposal, but they are not favorably impressed with the way that the understanding resulting in the removal of the embargo on Canadian cattle is being carried out. As is well known, these officials expected that as many as 50,000 head might be shipped to the British market this year, it being imagined that the removal of the embargo would go a long way towards compensating cattle raisers for the loss through the imposition of the Fordney tariff. With the opening of navigation there was a rush of shipments, and during the three months ending June the number of head shipped over was a little over 20,000, but now the shipments have begun to dwindle, until officials of the department of agriculture say that the trade is being strangled.

The complaints chiefly have to do with the action of the inspectors placed in the British ports of entry who decide in an arbitrary manner which Canadian cattle are "fat" and which are "store." If animals are rated as "fat" they have to be killed on the spot. It is the uncertainty over the rating they may get that is making shippers sore.

The export cattle business to Britain is also hampered through low prices and the high cost of passage. So that between one thing and another the outlook in the British market is anything but rosy.

ONE CONCERN NOW PLANS INSURANCE FOR TIMBER LAND

Details of Rates for Protecting Pulp and Lumber Supply

The problem of insurance of standing timber against fire is on the way toward solution. This question has long been troubling timberland owners, but a recent circular of the Empire State Forest Products Association gives the details under which one important company has entered this field.

Before giving the detailed rates it is explained that the company does not desire to insure lines greater than $25,000 subject to one fire; it can not accept coniferous or mixed growth lots which are being operated or exposed by adjacent lots being operated, unless cut off by open field or roadway, although under some conditions the company may consider lines on hard wood growths only, even when being operated, the company can not accept lines on property recently operated where slash is on the lot of less than five years of age, or if lot is exposed by adjacent lots with slash thereon.

Rates for Service

The rates are then given as follows:

Base rate (coniferous and mixed growth)	$1.25
If old slash, or operated within seven years and not less than five years	.25
If exposed by lots with either portable sawmill or lots operated within five years when cut off by open fields or roadways —or if exposed by blueberry lands, not cut off by waterways or roadways	.75
Steam railroad exposure	.75
When such railroad is required by law and does burn oil exclusively during the dry season period as defined below, a credit of $.60 may be allowed on the above charge.	
If exposed by lots having steam railroad exposure	.40
If such roads burn oil exclusively as above indicated a credit of $.25 will be allowed on this charge.	
Timberlands carrying only hardwood growth may be insured, if all other conditions are favorable—even though being operated—at an additional charge of	.75
Exposure to extensive conflagration area:	
a—Of 100 to 200 acres area	.10
b—Of over 200 acres and not more than 500 acres	.25
c—Of over 500 acres	.50

Credits Allowed

1. Hardwood growth only	.25
2. Credit for approved state fire protection as follows:	
A. Lookout tower equipped with telephone for an area of not to exceed 50,000 acres.	
B. District Ranger in charge preferably living within the above area, and equipped with an efficient organization for fighting fire.	
C. Proper fire fighting equipment which shall include a gasoline engine pump and a suitable amount of hose.	
Credit	.50
3. For state fire patrol on areas within the regions controlled by fire organization of any one state but not equal to the above standard	.25

These rates are based on a "dry season period" charge and 80 per cent. of the final rate is included in this charge, and no return premium is allowed on this part of the premium if policy has been in force any part of the months of April to November inclusive.

Three minute insurance for $10,000 against unfavorable weather conditions taken out with Home Insurance Co. by Swarthmore College expedition going to Mexico to photograph sun eclipse September 10. Premium is $500.

New Investment Firm Organized in Toronto

Announcement is made of the formation of a new financial firm, Dickson, Joliffe & Co., with offices in the Trusts & Guarantee Building, 302 Bay street, Toronto, to deal in government, municipal and corporation bonds, and conduct a general investment business.

The partners are John S. Dickson, who is a graduate of the University of Toronto in commerce and finance, and has been with Graham, Sanson & Co., Limited, for some years, occupying for the past year and a half the position of treasurer, and H. Joliffe, also for the past three years with Graham, Sanson & Co., Limited, and formerly connected with the firm of Aemilius Jarvis & Co., Limited. Both are well known in financial circles in Toronto.

NIGHT HAWK RUSHES TO START ITS MILL

Will be Going by Oct. 15th is Expectation—Will Produce Million in 1924

We expect to have our mill operating by October 15 or Nov. 1 at the latest, said John Callinan, promoter of Night Hawk Peninsula mine, who has just returned from a visit to the property. The company has now an abundance of power and is pushing things ahead. Three or four cars of shareholders are going north to visit the mine Oct. 8.

No. 4 vein has opened up well on the 400-ft. level. It shows a width of 17 and 18 feet with values of $11 in gold, $1 in silver. On the third level this vein is opened for 450 feet and on the 4th, 165 feet.

Mr. Callinan predicted that the Night Hawk would produce a million dollars in gold in 1924.

MINISTERIAL EFFORT AGAINST "WHISPER OF DEATH" MOVE

(Continued from Page 1)

many millions of Canadian money are spent at their summer resorts.

Incidentally, the visitors while here did a good stroke of business in the form of leaving behind some splendid publicity connecting Maine as a place for tourists. It is said that that state derives about $200,000,000 out of this business, and its people know how to cater to it. They had to admit that, as far as natural beauty goes, they have nothing on Canada, but what they have everybody knows about.

Ford Profits Soar to Tremendous High Mark

The Ford Motor Co. made net profits estimated at $54,000,000, equal to about $315 a share on its 172,465 shares of stock. in the four months ended June 30 last. This is at the rate of $162,000,000 a year, or $945 a share, compared with $119,000,000, or $69 a share last year, and $69,000,000, or $400 a share the year before that. Good will and cost aggregate $230,811,918. For several years past the company has carried goodwill at $20,517,986. Assuming that there has been no change in the latter figure, the cash item alone, as of July 1 last, would be $210,291,932, representing an increase of more than $50,000,000 in the four months beginning March 1 last, and a gain of nearly $65,000,000 over that of June 30, 1922.

The profit and loss surplus on June 30 last amounted to $414,129,158, an increase of more than $54,000,000 over that reported on February 28 last, and $124,000,000 more than that on June 30 last.

JACOBS MAKES OFFER FOR ASBESTOS BONDS

Bondholders' Committee Submits Two Plans; Securities Now Held in Trust Company

The long standing deadlock between the bondholders of the Black Lake Asbestos & Chrome Co. and the Jacobs interests may be cleared up, if present arrangements are completed successfully. After protracted negotiations the bondholders' committee has secured a definite offer from J. A. Jacobs of Montreal. Circulars have been sent to bondholders outlining the offer. To take advantage of it, they must all deliver to the committee the bonds now in the hands of the National Trust Co.

There are two alternative plans.

Plan "A" authorizes the committee to sell the bonds on a basis of not less than 33 cents on the dollar at any time, until March 30, 1924. Under plan "B" the committee is authorized to exchange the bonds held on a basis of 40 cents on the dollar for 8 per cent. ten-year bonds of the Asbestos Mines, Limited, with a bonus of 25 per cent. common stock of Asbestos Mines. In other words, for each $100 Black Lake bond held, the holder would get $40 in Asbestos Mines, 10-year, 8 per cent. bonds, and one $10 share of Asbestos Mines common. Under this plan the exchange must be completed by the end of the current year.

Under each plan, bondholders are asked to agree that, if more bonds be offered than the committee can handle, the committee can draw the bonds to be exchanged. The circular letter indicates to bondholders that the committee's own holdings will be put in under plan "A," which calls for a straight cash payment.

MOVE SLOWLY THE PRESENT TREND OF BUSINESS WORLD

(Continued from Page 1)

ject of general discussion. It and holidays, say some, have made August almost an impossible month. Travellers find their prospects on the links or out of town. Thus, they say, is time wasted and selling expenses increased. Golf, say others, is keeping us fit for work, enabling us to retain our poise. It is getting to be quite a debate, this discussion of the influence of golf on business.

Failures in retail business are quite heavy, yet it is doubtful if this represents a truly serious condition. There have been too many retailers, or at least too many poor retailers, and that some should be forced to return to other work will strengthen rather than weaken the distributing systems.

The packing industry is showing some improvement, good orders being secured from England.

Automobile exports also are gratifying. From Australia larger orders than ever are coming, and the word is that other United States automobile concerns will establish Canadian branches to the end of using this as a jumping off spot for export business.

The Sydney coal mines are, for the first time in fifteen years, working on a shift basis; this, of course, to take full advantage of the situation offered by the closing down of the U. S. mines.

Foundry business is better than it has been for some little time, and many manufacturing plants plan for higher things. The Massey-Harris Company at Brantford is taking on more men; so with the Waterous Engine Company. Bertram's are making a machine tool so large, that to handle it, the floor above has had to be removed. This, by the way, is for the new Westinghouse plant in Hamilton.

Such are the encouraging signs, and fortunately there are many of them; yet at the moment things are quiet. The business world awaits some evidence of restored buying power for the farmer. Once let the proof be apparent and the quiet of to-day will be succeeded by briskness.

Sir Frederick Williams-Taylor Spoke as President of the C. B. A.

From Our Own Correspondent

MONTREAL.—It is now understood that when Sir Frederick Williams-Taylor made the statement that, so far as he knew, there were no further mergers contemplated in Canadian banking he was speaking not only as a banker but as president of the Canadian Bankers' Association, so far as the president of that association can speak on such matters. The matters that come before the C. B. A. meetings govern many points in the inter-relationships of the bank, but the individual condition of the various banks does not come officially before the association. There would be difficulties in arranging this because officials of the bankers' association are all bank men, engaged competitively in the banking business. Sir Frederick prefaced his remarks with the phrase, "As president of the Canadian Bankers' Association . . ." and he may be presumed to have had considerable information from the various banks.

Nevertheless there is felt to be need for still further assurance from bankers, as representing their individual institutions and as representing banking as a whole, that the banking air is clear in Canada and that no further announcements of serious adjustments of published reserves or mergers may be expected.

Such announcements, if they can universally and confidently be made by the bankers, would have an invigorating effect upon public opinion generally. If any further adjustments are necessary, the sooner they are made the sooner will final confidence be restored.

Typical of the rumors floating around and discussed in usually well-informed circles is that concerning one of the leading best-known if smaller banks. Everything from merger to suspension has been mentioned in the case of this bank. As a matter of fact, the bank is in thoroughly sound condition and has not had to use a dollar of its reserves to meet losses.

DIVIDEND NOTICE

Canadian General Electric Co., Ltd.

Common Stock Dividend No. 97

NOTICE IS HEREBY GIVEN that a Quarterly Dividend of one and one-half per cent. for the three months ending the 30th day of September, 1923, being at the rate of six per cent. per annum, has been declared on the Common Stock of the Company.

Preference Stock Dividend No. 55

Notice is also given that a Half-Yearly Dividend of three and one-half per cent. for the six months ending the 30th day of September, 1923, being at the rate of seven per cent. per annum, has been declared on the Preference Stock of the Company.

The above Dividends are payable on and after the 1st day of October, 1923, to Shareholders of record at the close of business on the 15th day of September, 1923.

By order of the Board.
W. H. NESBITT,
Secretary.
Toronto, September 4th, 1923.

The Sherwin-Williams Company of Canada Limited

DIVIDEND NOTICE

NOTICE IS HEREBY GIVEN that Dividend No. 12 of One and One-Half Per Cent. (1½%) for quarter ending August 31st, 1923, upon the Common Stock of the Company has been declared, payable to Shareholders of record the 15th day of September, 1923. Cheques will be mailed on September 30th next.

Books not closed.
By order of the Board.
J. H. GORDON,
Secretary-Treasurer.

The Sherwin-Williams Company of Canada, Limited

DIVIDEND NOTICE

NOTICE IS HEREBY GIVEN that the Forty-ninth Quarterly Dividend of One and Three-Quarters Per Cent. (1¾%), being at the rate of Seven Per Cent. (7%) per annum, for quarter ending August 31st, 1923, upon the Preferred Stock of the Company, has been declared, payable to Shareholders of record the 15th day of September, 1923. Cheques will be mailed on September 30th next.

Books not closed.
By order of the Board.
J. H. GORDON,
Secretary-Treasurer.

THE TORONTO GENERAL TRUSTS CORPORATION

DIVIDEND No. 109

NOTICE IS HEREBY GIVEN that a Dividend of Three per cent. (3%) has been declared upon the Paid-up Capital Stock of this Corporation for the Quarter ending September 30th, 1923, being at the rate of

TWELVE PER CENT. PER ANNUM

and that the same will be payable on and after Monday, the 1st day of October, 1923.

The Transfer Books of the Corporation will be closed from Saturday, the 15th day of September, until Saturday, the 29th day of September, both days inclusive.

By order of the Board of Directors.
A. D. LANGMUIR,
General Manager.
Toronto, August 28th, 1923.

The Dominion Bank

NOTICE is hereby given that a Dividend of three per cent. upon the paid up Capital Stock of this Institution has been declared for the quarter ending 29th September, 1923, being at the rate of twelve per cent. per annum, and that the same will be payable at the Head Office of the Bank and its Branches on and after Monday, the 1st day of October, 1923, to shareholders of record of the 20th September, 1923.

By Order of the Board.
C. A. BOGERT,
General Mgr.
Toronto, 23rd August, 1923.

THE MOLSONS BANK

172nd DIVIDEND

THE Shareholders of the Molsons Bank are hereby notified that a Dividend of THREE PER CENT. (being at the rate of twelve per cent. per annum) upon the capital stock has been declared for the current quarter, and that the same will be payable at the office of the Bank in Montreal, and at the Branches, on and after the

FIRST DAY OF OCTOBER NEXT

to Shareholders of record on 15th September, 1923.

THE ANNUAL GENERAL MEETING of the Shareholders of the Bank will be held at its banking house, in this city, on MONDAY, the 5th of NOVEMBER next, at three o'clock in the afternoon.

By the order of the Board.
EDWARD C. PRATT,
General Manager.
Montreal, 21st August, 1923.